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Stock Prices Tumble in Europe and U.S. Markets

New Sign of Inflation Sends Jitters Through Investors Worldwide

Compiled by Our Staff From Dispatches

NEW YORK—Fears of inflation in the expanding U.S. economy — and higher interest rates that may follow — battered securities prices in the United States and Europe on Wednesday.

Yields on long-term U.S. Treasury bonds approached 8 percent for the first time in more than two years, while the Dow Jones industrial average lost ground for the third straight day. The dollar weakened against major currencies.

Major European stock indexes dropped, with the DAX index in Frankfurt falling 1.31 percent and the Financial Times-Stock Exchange 100-share index in London losing 1.52 percent.

"The market is headed south for a while until fears of inflation and higher interest rates subside," said Peter Cardillo, market strategist at Westfield Investments.

Fuel for the sell-off Wednesday came from a government report showing a 4.4 percent increase in orders to U.S. factories in August, the largest gain in nearly two years. The report also showed that shipments rose by 4.5 percent, the biggest gain in 15 years.

The report's influence was exaggerated by the fact that it came two days before the government is set to release employment data for September. If the Labor Department reports strong job growth for September on Friday, the Federal Reserve Board will almost surely push up key interest rates, analysts said.

"The factory orders were the icing on the cake," said Ian Blane, global economist at Nikko Europe. "People are expecting the Federal Reserve to do something in the next few days."

The U.S. Federal Reserve has already raised short-term interest rates five times this year to keep inflation in check as the economy grows. But higher trending interest rates raise the cost of borrowing for companies, which could limit corporate profit growth. Inflation, meanwhile, erodes the

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Dow Jones	Trib Index
Down 13.79	Down 0.38%
3797.34	113.17
Chg. -0.4%	Chg. -0.4%
The Dollar	Yield
Yen 148.35	5.42%
DM 1.5435	5.45%
Frank 1.556	5.45%
Yen 99.60	5.45%
FF 5.2785	5.28%



Police and fire fighters at a farm in Cheiry, Switzerland, gathering the bodies of some of the members of a sect, the Solar Tradition, found Wednesday.

Mystery Shrouds 50 Cult Deaths

By Barry James

International Herald Tribune

At least 48 members of an esoteric sect that has been linked to neo-Nazi groups were found shot or suffocated to death Wednesday at a farm and two chalets in Switzerland.

Two other bodies were found in a house in Quebec, belonging to the leader of the cult, that was destroyed by fire.

Swiss policemen, who expected to find more bodies at a third chalet, said they were seeking two people for questioning in connection with the deaths. An investigating magistrate, André Pillier, declined to say who the suspects were or whether one was the cult leader, Luc Jouret.

Swiss fire fighters found the dead, including many children, in a secret chapel at the farm at Cheiry, a Heidi-like mountain village near Fribourg, overlooking Lake Neuchâtel, and at

the two remote chalets in the canton of Valais. They had been called out to put out fires in the buildings and at the third chalet.

The police said they were unsure whether they were dealing with mass murders or collective suicides. There have been several mass religious suicides in recent years, the most dramatic being the 1978 Jonestown massacre in Guyana, in which 913 men, women and children died, and the immolation of 86 Branch Davidians in Waco, Texas, last year.

Many of the victims in Switzerland had a single bullet hole in the head. Cartridge cases littered the floors. Others had been suffocated with black plastic garbage bags, tied tightly around their necks. They included Canadian, Swiss and French nationals.

The male victims were dressed in black, white and red ceremonial cloaks.

The women wore long, white, gold-braided robes.

According to the Roger Ikor Center in Paris, which investigates and documents cults, the sect is an offshoot of the Renewed Order of the Temple, which is "extremely dangerous because of its doctrinal extremism and dictatorial internal system." Documents in the center's possession indicate that the order — which has branches in Canada, France, Belgium, the Netherlands, Germany and Denmark as well as its headquarters in Switzerland — has close links with neo-Nazi organizations.

Of the 23 bodies found at the farmhouse, many were in the former stables, which had been turned into a chapel with altar and mirrored walls concealed behind wood paneling. It did

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Luc Jouret, the missing leader of the sect whose members were found slain.

Moscow Gets New Breath As Debt Is Rescheduled

Western Bankers Agree To \$24 Billion Reprieve To Entice Fresh Capital

By Alan Friedman

International Herald Tribune

PARIS — Russia and its main Western bankers agreed on Wednesday to reschedule \$24 billion worth of commercial bank debt, giving an important boost to Moscow's efforts to stabilize its economy.

The accord, which also covers an additional \$3.4 billion of loan interest that has not been paid since December 1992, will give Russia breathing space to press ahead with its reform programs.

It could also improve prospects for the eventual full-scale rescheduling of the balance of Russia's total \$90 billion of foreign debt, which it inherited from the former Soviet Union.

In Madrid, a senior U.S. Treasury official attending the annual meetings of the International Monetary Fund and World Bank, hailed the deal as "another important step forward in Russian reform." He said it was in line with the emphasis on attracting private sector capital that came out of the recent meeting between President Bill Clinton and President Boris N. Yeltsin.

The debt rescheduling will also help persuade foreign investors, trading partners, and lenders that it is now safer to do business with Moscow, another U.S. official noted. He called Wednesday's deal "one piece of the mosaic" and said that it was likely "to have the consequence of removing another obstacle to trade and investment."

The deal was thrashed out in talks held in Madrid this week between an advisory committee led by Deutsche Bank and representing Russia's 600 bank creditors and Alexander N. Shokhin, Russia's deputy prime minister and its chief debt negotiator. Mr. Shokhin called the deal "an important vote of confidence from the international financial community."

Although final details still need to be worked out during meetings later this month, the Madrid agreement ended a year of deadlock over outstanding legal issues that had held up a debt accord. A document describing the legal aspects of the debt rescheduling was signed Wednesday at the Russian Embassy in Madrid by Mr. Shokhin and by Christian L. Vontz, chairman of the bank advisory committee.

The final agreement is expected to be signed later this year after formal approval is given by creditor banks. A bank executive involved in the Madrid talks said the deal would stretch out Russia's \$24 billion of commercial bank debt over the next 15 years. Russia will be given a five-year grace period during which it has to pay back neither interest nor debt principal. Then it will have another 10 years to pay off the debt in semi-annual installments.

The deal on Wednesday also calls for the payment before the end of 1994 of \$500 million of interest owed over the past year.

The only news that, slightly marred the spirit of the debt deal was that the ruble slumped by 5.4 percent on Wednesday to a low of 2,808 to the dollar, bringing the Russian currency's total decline to nearly 27 percent over the last month.

Traders attribute the currency's woes to the surprisingly relaxed attitude of Viktor V. Geraschenko, the chief of the Russian central bank, who on Wednesday said he was happy to allow the ruble to find its own level. Mr. Geraschenko has been sharply criticized by supporters of reform in Russia, who doubt his commitment to rapid change.

The outline of the debt rescheduling deal has been ready for more than 12 months, but until now both Russia and its creditors have been unable to work out two issues, the most important relating to the demand by bankers that Russia waive its "sovereign immunity."

That would have given banks the right to sue Moscow or attempt to seize Russian assets if it did not honor its accord.

This sort of provision is normal in debt rescheduling deals for Latin American

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Berlusconi's Government 'Is Rocked by New Inquiry Aide Deplores 'Mafia-Style' Charges

By Alan Cowell

New York Times Service

ROME — Prime Minister Silvio Berlusconi's government was propelled into turmoil on Wednesday after a senior investigating magistrate said inquiries into a pay-television channel partly owned by the Italian leader could embroil "very high levels" of the country's political and financial elite.

The published remarks by the Milan investigator, Francesco Saverio Borrelli, were interpreted as what a government spokesman, Giuliano Ferrara, called a "mafia-style threat" against Mr. Berlusconi, and they touched off a day of turbulence. Mr. Berlusconi is a wealthy tycoon-turned-politician who controls Italy's biggest commercial television networks.

First, Justice Minister Alfredo Biondi offered to quit in response to criticism from Mr. Borrelli, but the government refused to accept his resignation.

Then Mr. Ferrara threatened a suit against the magistrates, worsening the already strained relationship between the government and the investigators who, since February 1992, have uncovered massive corruption and who are now scrutinizing Mr. Berlusconi's Fininvest empire. The Italian leader Tuesday called the inquiry a "use of justice for distorted ends."

And, in an unrelated development that nonetheless contributed to the atmosphere of crisis, rock-throwing demonstrators protesting unemployment clashed with riot police outside the prime minister's office at Palazzo Chigi in central Rome. Fifteen people were reported injured.

The spectacle of such open confrontation between the magistrates and the government renewed doubts about political stability, and financial markets, hair-trigger shy about Italy's fortunes, registered sharp losses with the Italian lira, government bonds and shares all falling.

But the debacle also focused attention on what has become a central riddle of public life here: Are the magistrates who became national heroes for unmasking decades of corruption now pursuing their own political witch-hunt, as the government insists they are, or simply doing their job, which has now led to fraud investigations in the national tax police, the Guardia di Finanza, and at Fininvest?

"The magistrates must do their duty," Mr. Ferrara said, "which is to prosecute crimes that come to their notice, not to get involved in politics or try to overthrow the government through newspaper interviews. This is shameful."

Mr. Borrelli said in an interview with Milan's Corriere della Sera newspaper that the magistrates themselves were the target of "an initiative to discredit us" as their inquiries progressed with "new and significant evidence."

At issue, investigators said, were bribes of some \$17,000 — relatively minor amounts in the gamut of Italy's million-dollar corruption scandals — paid to the Guardia di Finanza to halt inquiries into the ownership of Telepiù, a pay-TV station offering mainly sports and movies, in which Mr. Berlusconi's Fininvest acknowledges a 10 percent stake. Magistrates are seeking to discover whether Fininvest controls a bigger stake through nominee companies.

Additionally, magistrates are trying to work out whether a decree issued Aug. 28 by Mr. Berlusconi's government effectively legitimized his ownership of a wide range of television and publishing outlets once supposed to be limited by antitrust laws.

While Mr. Borrelli said the investigation into Telepiù was only one of many being conducted by the Milan magistrates, he

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Kiosk



Governor Chris Patten of Hong Kong urged China to talk. Page 7.

Flight Ban Lifted On Yugoslavia

BELGRADE (Reuters) — A Russian Aeroflot airliner landed in Belgrade on Wednesday, formally reopening its airport after a 28-month United Nations ban on international commercial flights to and from Yugoslavia.

"It is just a plane, but the sight of it brings tears to my eyes," said Svetlana, an airport welcoming hostess. "These have been a very, very desolate 28 months."

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Books

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Iran's Revolution Falters As Oil Revenues Plummet

By Nora Boustany

Washington Post Service

TEHRAN — Iran's Islamic government, with its welfare economics and mullah management, is being put to the test because of sagging oil prices. Fifteen years after a religious mutiny toppled the shah and inflamed the poor with slogans, the revolution seems no longer able to overcome economic hardship with sustenance or solace.

In major cities and rural villages, Iranians appear more concerned about how to make ends meet than about going to the mosque on Friday. The fist that once wished death to America are now raised in objection to worsening economic conditions and the specter of soaring prices.

"Economically, we are at a critical time," said a key Central Bank official. "We are adjusting prices, we are trying to control inflation. This brings unhappiness."

Iran's population has swelled from 30 million to 60 million since the 1979 revolution, while oil revenue has plummeted almost to one-third what it was.

"We are providing subsidies worth \$12 billion a year for local consumption, and our total revenue from oil is \$12 billion," said Ali Naghi Khamoushi, president of Iran's Chamber of Commerce.

A bid to introduce economic readjustments is stalled as President Hashemi Rafsanjani's government and legislators battle over when and how to remove subsidies from basic commodities without social repercussions and unrest. Religiously conservative members of the Majlis, the national legislature, are reluctant to press their popular base into more economic distress.

Iran's declining fortunes are drastically undermining the religious leadership's once magnetic quality as protector of the masses and accentuating mismanagement and corruption instead.

As poverty and deprivation humble

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At This Camp, You Learn to Boot Up

By Peter H. Lewis

New York Times Service

SANTA BARBARA, California — One would never guess that Ludovico L. de Carlo, who is 65, was a tormented man as he stood on the terrace at sunset nibbling appetizers, laughing with a group of international business tycoons, and being serenaded by two violinists and caressed by warm ocean breezes.

But his wife, Sara, revealed his dark secret to a visitor: "He's so angry. He has complete control over everything else in his office, except for that little box. He's determined to master it, but he's frustrated that he can't do it in one day."

Mr. de Carlo, president of Marine Corps West Federal Credit Union, was unwinding at the end of a grueling day at the CEO Technology Retreat. The gathering was a three-day boot camp for chief executives, presidents and the like who share a common frustration — com-

puters — and a common desire to learn about them.

The recent retreat was co-sponsored by the seminars company CEO Institutes of New York and Computer Associates International Inc., the software company. Since 1992, the retreats have attracted more than 250 top executives who rose to power in the computer age without ever needing to find the power switch.

The 50 executives who assembled here were the types who exude confidence and steely resolve to their underlings, but most of them would panic at the sight of a mouse — the kind used on a computer.

"In the last group, we found one guy trying to roll the mouse around on the computer screen," one teacher whispered, surveying the executives at the orientation session. "This group looks pretty smart."

Each executive paid \$5,500 plus travel

and hotel expenses to come to the Four Seasons Biltmore hotel in Santa Barbara, away from ringing telephones and business meetings, to concentrate on learning the computer basics. The fee included an Acer America laptop computer, printer and programs they will take with them, plus unlimited telephone support from the teaching assistants after they go home.

"They get to ask the basic questions that they're too ashamed to ask their own technologists," said Charles B. Wang, chairman of Computer Associates. The goal of the retreats is to facilitate better communications and closer relationships between the technologists and the business executives. "For them it's just one little step, so they can say, 'Hey, it's not so intimidating after all.'"

The conference is an ideal opportunity

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Newsstand Prices

Bahrain	0.800 Din	Malta	35 C
Cyprus	£1.00	Nigeria	90.00 Naira
Denmark	14.00 D.Kr.	Norway	15 N.Kr.
Finland	11 F.M.	Oman	1,000 Rials
Gibraltar	£0.85	Qatar	8.00 Rials
Great Britain	£0.85	Rep. Ireland	£2.00
Egypt	£0.50	Saudi Arabia	9.00 R
Jordan	£0.50	South Africa	£0.60
Kenya	£0.50	U.A.E.	8.50 Dirh
Kuwait	£0.50	U.S. Mail	£18.10
		Zimbabwe	20m. \$20.00

Powell, in Demand, Looks Ahead to 'Some Kind of Service'

By Brandon Mitchener
International Herald Tribune

FRANKFURT — Colin L. Powell, the retired chairman of the U.S. Joint Chiefs of Staff, has been thinking about his past while preparing memoirs that are to be published next fall.

But these days Mr. Powell, whose book will cover his career as a military commander and national security adviser, is being asked at least as many questions about his future.

At dinner Tuesday night on the eve of the Frankfurt Book Fair, Mr. Powell made these points:

• He conceded a more than passing interest in seeking a government office. "I do want to return to some

kind of service to my country," he said.

• He said that the exiled president of Haiti, the Reverend Jean-Bertrand Aristide, was "not the saint" and that the generals he is to succeed were "not the villains" they had been made out to be.

• He said he was "still developing" his political philosophy. "For 35 years I didn't need one," he said. At this point, the rumors of a run for office are just that. Nevertheless, Mr. Powell made no secret of the fact that he was considering seeking a place in politics.

He said that he might accept "a nomination" and also suggested that his future service "might be politi-

cal." He added that the fact that many people also considered him eminently electable was a feeling he was still getting used to.

The cover story in the current U.S. edition of Newsweek asks, "Can Colin Powell Save America?" An accompanying poll finds him the "most respected" and "most intriguing" man in American public life.

So far, neither mainstream political party has been able to claim him as its own. "I'm at neither extreme of the political spectrum," he said.

Regarding Haiti, Mr. Powell said Haitian expatriates living in Florida and elsewhere had a history of "exploiting, not running," the country. He said Haiti was nothing like Eu-

rope and could not be helped by any sort of nation-building Marshall Plan imposed by the United States.

Mr. Powell, who served with former President Jimmy Carter and Senator Sam Nunn in brokering the Haitian junta's agreement to step down and the plan for Father Aristide's return, trained with some of the Haitian coup leaders in the United States.

He called Father Aristide's strongest card his "charisma" and suggested that he go back to Haiti before Oct. 15, his announced date of return. "He should be there already," Mr. Powell said.

Born in Harlem in 1937 as the son of Jamaican immigrants, Mr. Powell

rose to become the first black man and youngest person ever to assume the title of chairman of the Joint Chiefs of Staff, the highest military position in the U.S. armed forces. He was a major architect of Operation Desert Storm, and he retired in September 1993.

In economic and military policy he is predictably conservative, but on education, civil rights and a host of other issues he describes himself as "quite liberal."

"I'm the product of the government programs that were needed at that time," he said of subsidized housing, education and Medicare, the program of health care for the elderly.

Haiti Chiefs Appear at Funeral

U.S. Forces Step Up Search for Arms and Auxiliaries

Compiled by Our Staff From Dispatches

PORT-AU-PRINCE, Haiti

Haiti's military leaders attended the funeral on Wednesday of 10 Haitians who were killed by U.S. Marines in a firefight, the first casualties of the U.S. military intervention here.

Lieutenant General Raoul Cédras, the army commander in chief, and Brigadier General Philippe Biamby, the chief of staff, stood near the 10 flag-draped coffins in the courtyard of a military hospital.

The appearance by the two men came a day after Lieutenant Colonel Joseph Michel François, who with General Cédras and General Biamby led the 1991 coup that deposed President Jean-Bertrand Aristide, fled to the neighboring

Dominican Republic. Colonel François served as police chief in Port-au-Prince and organized squads of attachés, or army auxiliaries, who have been responsible for much of the terror in Haiti since the coup.

U.S. officials expect General Cédras and General Biamby to step down by Oct. 15 as part of an accord that will restore Father Aristide to power. General Cédras has vowed not to leave.

Aristide supporters have applauded Colonel François's departure, and urged the other coup leaders to do the same.

No U.S. soldiers were seen at the service for the Haitians, who were killed Sept. 24 in Cap-Haïtien. U.S. troops were patrolling the streets of the Haitian capital in search of attachés.

As U.S. helicopter gunships circled overhead, U.S. Special Forces troops raided the Port-au-Prince suburb of Petionville, looking for weapons and for an attaché said by residents to be responsible for several murders.

U.S. soldiers have worked with Haitians in recent days to locate the homes of suspected army auxiliaries. Ninety-five people have been detained and more than 4,000 weapons seized in the crackdown, U.S. military officials said.

In Washington, Defense Secretary William J. Perry said that the U.S. intervention in Haiti had "gone very well to date." But he cautioned that the continued success of the mission, and the end to years of terror and violence in the country, "will take persistence and will take patience."

The United States has about 20,000 troops in Haiti, Mr. Per-

ry said that number would be reduced to 15,000 by the end of the month, and eventually to 6,000 as an international peacekeeping force begins to operate.

The first non-American soldiers to arrive in Haiti started taking control of the Port-au-Prince harbor area on Wednesday. The contingent comprises 262 soldiers from Jamaica, Trinidad and Tobago, Belize, and Antigua and Barbuda.

Father Aristide told the UN General Assembly in a speech on Tuesday that he would return home by Oct. 15.

The Roman Catholic priest, who has been living in exile in Washington, said he hoped to bring peace to Haiti. "We say, 'Yes' to reconciliation. 'No' to violence. 'No' to vengeance. 'Yes' to justice," he said.

As part of the U.S. crackdown, troops on Monday raided the headquarters of the Front for the Advancement and Progress of Haiti in Port-au-Prince and detained more than two dozen of the paramilitary group's members.

But with thousands of weapons still reportedly in the hands of Front members and other extremists, the potential for violence remains high.

Colonel François's departure may defuse much of the tension. He left after his brother, Evans, already living in the Dominican Republic, wrote an open letter urging him to leave Haiti and join his family.

After arriving at his brother's home in suburban Santo Domingo, Colonel François refused to talk to reporters. "Soldiers don't talk, only politicians," he said in a statement. (AP, AFP)



General Cédras throwing dirt on the grave of one of the 10 Haitians buried Wednesday.

Balladur Vows Corruption Fight

Reuters

PARIS — Prime Minister Edouard Balladur, facing corruption scandals that have spread into his cabinet, proposed Wednesday an annual audit of politicians' wealth and new powers to halt suspect public works contracts.

Mr. Balladur told Parliament he was creating a working group of deputies and senior regional officials to study new legislation to fight corruption, which he acknowledged was undermining public confidence in French institutions.

"Democracy must be above suspicion," he said. "If it were not, it would be fragile because it relies on citizens' involvement."

Revenge May Be Motive in Mexico Killing

By Tim Golden
New York Times Service

MEXICO CITY — Prosecutors will charge a former federal

official and a fugitive congressman with plotting the assassination of the second-ranking leader of Mexico's governing party, José Francisco Ruiz Massieu, officials said.

The prosecution of the two men, one of them formerly a close political associate of the slain party leader's, suggests that the authorities' theory is that the motive for the killing was at least in part personal revenge.

But officials emphasized that they had not ruled out the possibility that Mr. Ruiz Massieu had been the victim of a plot involving major cocaine traffickers, conservative politicians from within the governing party, or both.

"What is coming to the surface are the resentments of some minor politicians," one official familiar with the investigation said, referring to the two suspects. "But these two

still appear to be intermediaries. It is possible that there are others behind them."

In a letter sent to the attorney general on Sunday, the fugitive legislator, Manuel Muñoz Rocha, admitted having taken part in the plot, but said he had done so largely on behalf of the former federal official, Abraham Rubio Canales.

Mr. Muñoz also said in the letter that he feared for his life, alluding to contacts between Mr. Rubio Canales and leaders of one of Mexico's biggest cocaine smuggling organizations. Officials confirmed the authenticity of the letter, portions of which were disclosed to Mexico City newspapers.

The question of a motive for the slaying is complicated in part by the political origins of Mr. Muñoz Rocha and Mr. Rubio Canales in the Gulf Coast state of Tamaulipas, a place where political power, corrup-

tion and drugs have long been mingled.

Both men rose there through the ranks of the long-governing Institutional Revolutionary Party, or PRI, under local political bosses who have been variously linked to hard-line factions of the party that oppose recent moves toward reform, to narcotics traffickers and to a former leader of the country's oil workers' union who was jailed six years ago by President Carlos Salinas de Gortari.

In 1987, the year before Mr. Salinas was elected, he was instrumental in winning Mr. Ruiz Massieu the PRI's nomination for the governorship of Guerrero State.

At least seven other people have also been implicated in the attack on Mr. Ruiz Massieu, 48, which took place as he left a meeting in downtown Mexico City on Sept. 28.

Ferry Owner Accused Of Hiding Safety Data

Compiled by Our Staff From Dispatches

STOCKHOLM — The owner of the ferry Estonia and a French classification company are refusing to make public the vessel's safety inspection records, the Swedish daily Svenska Dagbladet said Wednesday.

"It is only the owner, the people who ordered the inspection, or possibly the Estonian maritime board that can release the documents," said Hans Olsson, the head of the Swedish division of the French company Bureau Veritas.

According to the newspaper, numerous inspections had been carried out on the Estonia, which sank last week off Finland, with a loss of more than 900 lives. It said there was an extensive five-year inspection in 1990. The most recent inspection took place last Aug. 25, when the bow visor and ramp were checked, among other parts, the paper said.

Mr. Olsson told the newspaper that Bureau Veritas had not found any "serious defects."

The Swedish maritime board is not entitled to see the inspection reports either. Veritas is a Paris-based classification society responsible for monitoring ships' safety, and is therefore not subject to Swedish access-to-information laws.

A Swedish official said Wednesday that a decision about releasing the ferry would be made in the spring, "at the earliest." (AP, AFP)

Paris Chase Ends in Couple's Killing 3 Policemen

Compiled by Our Staff From Dispatches

PARIS — A young couple tear-gassed two policemen, stole their guns and set off a wild chase through Paris, killing three police officers and a taxi driver they had commandeered before the rampage ended with their capture.

Three other officers and two civilian passers-by were injured in the incident Tuesday night. The suspected killers, a teenage girl and an unidentified

young man, were captured after a shoot-out. The male suspect, believed to be 21, was shot in the head and stomach, and was hospitalized in very serious condition and unable to speak.

The woman, 19, refused to talk to police. She was identified as Florence Ray, from the working-class suburb of Argenteuil. She and her companion had been living as squatters in an abandoned building.

Their motive remained a

mystery, but investigators suggested that the pair felt alienated from society.

To make their getaway after seizing the police guns, the couple commandeered the taxi. After the driver deliberately drove into a police car, the couple opened fire, killing the policeman and the taxi driver.

Rightist political leaders, including Jean-Marie Le Pen of the far-right National Front, said the best response would be

to reinstate the death penalty for certain offenders. France abolished capital punishment in 1981.

Police unions demanded that the government provide more funds and manpower for law enforcement. And about 500 taxi drivers assembled their vehicles in honor of their slain colleague, Amadou Diallo, 49, an immigrant from French Guiana.

(AP, Reuters)

WORLD BRIEFS

IRA Leader Meets U.S. Congressmen

WASHINGTON (Reuters) — The head of the political wing of the Irish Republican Army, Gerry Adams, met with members of Congress on Wednesday to complete a Washington visit that he said had made hopes for peace in Northern Ireland "more of a reality."

Mr. Adams, head of Sinn Féin, added a Capitol Hill stop to his three-day Washington visit before leaving for San Francisco and Los Angeles. That will round out a two-week, nine-city U.S. tour. "The number of days we have spent here in our own way have been quite historic," Mr. Adams said at a news conference. He met Tuesday for the first time with U.S. officials after President Bill Clinton lifted a ban on such contact. Mr. Adams said that the hope for peace was "more of a reality today on the fifth of October than it was 2½ days ago."

King, Defiant, to Return to Bucharest

BUCHAREST (Reuters) — Romania's exiled monarch, King Michael, plans to defy the leftist government and fly to Bucharest on Friday, his office said Wednesday.

"The king intends to be there," a spokeswoman for the royal family said from Geneva. "He has no answer from the Romanian government and he is continuing with his travel plans." In a letter to supporters, Michael said his trip was no threat to the government. "I will arrive as a Romanian who does not intend to contest the present constitutional order," he said.

President Ion Iliescu said he would not intervene to change the government decision to refuse Michael a visa. Michael, Mr. Iliescu said, was a foreign citizen who would need a visa and would have to give a good reason to get one. Michael drew enormous crowds in 1992 on his only officially sanctioned visit to the former Communist country since he was expelled by the Soviet-installed government in 1947. A return seems certain to provoke a confrontation with the government.

Russians Sink Japanese Fishing Boat

TOKYO (AP) — A Russian patrol vessel sank a Japanese fishing boat and seized its crew in disputed waters off northern Japan, Japanese officials said Wednesday.

Russia notified Japan's Maritime Safety Agency that the boat was sunk near the Kuril Islands late Tuesday, agency officials said. The Russian message said the captain and two crew members were rescued and were being detained. Russia said the vessel was violating its territorial waters.

Japan's Foreign Ministry summoned Russia's ambassador to Tokyo to protest the incident, calling it "extremely regrettable" and warning that it could harm efforts to solve a dispute over fishing rights.

In Japan, Royal Dissent Over War

TOKYO (Reuters) — A secret diary of the brother of Japan's wartime Emperor Hirohito reveals for the first time that some members of the imperial family abhorred Japanese policies that led to World War II.

The Yomiuri Shimbun newspaper said Wednesday that the diaries of Prince Takamatsu for the period between 1921 and 1947 were found in a warehouse four years after he died in 1987. Takamatsu's widow, Princess Kikuko, is allowing the diaries to be published over the objections of the secretive Imperial Household Agency.

Takamatsu, born in 1905 as third son of Emperor Taisho, who reigned from 1912 to his death in 1926, spent most of his adult prewar life in the Japanese Navy. On Sept. 1, 1941, three months before Pearl Harbor, Takamatsu, then a senior navy officer, wrote, of war with the United States: "We must not do this for the sake of Japan and also on moral grounds. We must avoid this even if we have to fight unto death."

Turkish Troops Raze 17 Villages

TUNCALI, Turkey (Reuters) — Turkish security forces burned down 17 villages during a two-week military offensive against rebel Kurds in the remote eastern province of Tunceli, local politicians and witnesses said Wednesday.

"The people whose houses were burned are in the town center, and they urgently need tents and food," said Musa Yentikaya, mayor of Ovacik township, to which the villages are linked. He said troops had given residents of several other villages three days to leave or risk the same fate. Villages leaders and Tunceli councillors sent a telegram to Prime Minister Tansu Ciller asking for an end to an operation that left them homeless on the brink of winter. The military says it must empty villages and group people in large settlements to deny refuge and supplies to the separatist Kurdistan Workers Party, which is strong in the region.

TRAVEL UPDATE

Strike by Guards Shuts Acropolis

ATHENS (Reuters) — Striking Greek guards closed the Acropolis and its museum on Wednesday, turning away hundreds of visitors who had climbed the steep hill unaware of the walkout.

The 5,500-member confederation of Culture Ministry employees, who guard museums and sites throughout Greece, is demanding higher pay and the establishment of its own providence fund with ministry money. It said that the strike could last indefinitely and could spread to other sites.

A strike is expected to slow service on the London Underground on Thursday after pay talks between the Rail Maritime and Transport union and London Underground broke down, according to the Financial Times. The union's 8,000 members, who work as station staff, signallers and train drivers, rejected a 2.5 percent pay offer that London Underground said was final. (AFP)

Ghana Airways is to begin services to the United States as planned despite a U.S. ban on Ghanaian carriers, an airline source said Wednesday in Accra. Corporate Planning Director Adu Gyamfi said a license had been granted on the strength of a get-out clause in the ban, which allowed carriers from nine affected countries to fly if they leased U.S.-registered aircraft for the routes. (AFP)

A group of Muslim tourists from Gulf Arab states has booked a tour of Israel with an Israeli airline, Arkia airlines, in what would be the first visit to Israel by Gulf nationals, an airline official said Wednesday in Jerusalem. The visit is set for March. (Reuters)

European airline passenger traffic grew by 5.5 percent in August over the same month last year, usually the airlines' busiest month, the Association of European Airlines said in Brussels. (Reuters)

The U.S. House of Representatives has voted to ban smoking on all international flights to and from the United States. The bill now goes to the Senate, but an aide said no action was expected this year. (Reuters)

South Korea has extended its visa waiver for Japanese visitors through 1995 to promote tourism, the Justice Ministry said Wednesday in Seoul. (AP)

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THE AMERICAS / PAYING COURT

James Baker Joins Parade of Republicans Aiding North

By Maureen Dowd
New York Times Service
ALEXANDRIA, Virginia — The man who was a major force in the success of the Reagan White House has come to Virginia to pay court to the man whose actions could have topped it.

James A. Baker 3d, the former White House chief of staff, secretary of the Treasury and secretary of state, joined the pilgrimage of Republican presidential prospects campaigning with Oliver L. North in his attempt to join the Senate he once defied.

Like Senator Bob Dole of Kansas, who campaigned with Mr. North last month, Mr. Baker cannot afford to alienate the conservative Republicans and members of the religious right in Virginia and around the country who support the former National Security Council official. This group will play a major role in the selection of the 1996 Republican presidential nominee.

Mr. Baker, who gained a reputation as an official who knew how to associate himself with success and distance himself from failure, seems to have decided that Mr. North is destined for success.

In an interview after his appearance Tuesday night with Mr. North at a fund-raising event at a posh home

overlooking the Potomac River, Mr. Baker explained why he was supporting the candidate whom Ronald Reagan publicly renounced early in the campaign.

Asked if he thought Mr. North was trustworthy, given his involvement in a plan that basically hijacked foreign policy in the Reagan administration, by providing illegal aid to the contra rebels in Nicaragua, Mr. Baker said, "I am confident enough to support his candidacy and to be here tonight."

He added that he did not remember any instance "where I was personally involved" in which Mr. North had been untrustworthy.

Mr. Baker's appearance, which pleased some Republicans, surprised others and disappointed still others, was taken as the surest sign yet that he was seriously considering running for president in 1996.

Asked whether this was a sign that he was running, Mr. Baker grinned and gave one of his trademark equivocations. "I'm running for the country line," he said. Growing more serious, he added, "It's too early to rule it in or out."

Mr. Baker, who helped the North campaign raise \$50,000 on Tuesday night, followed recent appearances by former Vice President Dan Quayle;

Mr. Dole; Senator Phil Gramm of Texas, and Jack F. Kemp, the former secretary of housing and urban development. Mr. North also received a letter of endorsement from former President George Bush.

Sitting in an office in the house on the Potomac, Mr. Baker told a group of reporters that he had decided to endorse Mr. North because "having a Republican Senate is extraordinarily important."

He added: "I've lived through the experience of having one and not having one. If you had spent 20 years working to build the Republican Party the way I have, you would know that it's important to support the party's nominees when they have an excellent chance to get into a legislative body like the Senate."

He said he saw no irony in his support of a man who was in the center of the scandal that could have derailed not only Ronald Reagan but also Mr. Bush.

"I don't see any irony there," he said. "I've already told you that I don't agree with some of the things he did and said. That doesn't mean that I would not prefer to have Republicans get control of the Senate. It could well come down to one seat."

Mr. Baker, who has been largely

absent from the national stage since his unsuccessful turn as Mr. Bush's 1992 campaign manager, noted that he had been in 20 states recently, campaigning for Republican senatorial candidates.

Mr. Baker did not say anything critical of Senator Charles S. Robb, Mr. North's Democratic opponent. And he said he was a "good friend" of Senator John W. Warner's. Mr. Warner is the Virginia Republican who has come out against Mr. North's candidacy and has thrown his support behind J. Marshall Coleman, a Republican running as an independent.

Using precise language to explain a decision that he cast as a purely political one, Mr. Baker explained his position by saying that he had even campaigned for an incumbent Republican — identified by an aide as Senator James M. Jeffords of Vermont — who supported President Bill Clinton's health care program, "with which I violently disagree."

As for Mr. North, who was wearing a dark suit and cowboy boots, an outfit that Mr. Baker favored when he was a Washington official, he greeted Mr. Baker with a respectful smile and "Secretary, how are you?"

When asked if he was pleased with the parade of big-league Republican

support, after the initial reluctance by Reagan officials to lend a hand, Mr. North smiled and said, "Yeah."

"They want a Republican U.S. Senate," he said. "I do, too."

Not everyone was pleased with the events Tuesday night. When asked about Mr. Baker's appearance, Warren M. Rudman, the former Republican senator from New Hampshire, who was a co-chairman of the special House-Senate panel that interrogated Mr. North in 1987, said:

"I find the whole thing disturbing, frankly. But I guess I'm in a minority. I personally strongly held the view that he was lying to Congress and that means lying to the American people. And that is a serious offense. I don't care if he was released on a technicality."

Mr. North was convicted in 1989 of aiding and abetting and obstruction of Congress, altering and destroying classified documents and accepting an illegal gratuity. The convictions were overturned on appeal because his trial had been "tainted" by testimony he gave under a grant of immunity during the congressional hearings.

Mr. Rudman added: "The pilgrimage to Virginia just proves, as a Republican leader once said, that 'Some days you just have to rise above principle.'"



President Mandela speaking at a White House ceremony as President Clinton looked on.

Walking Every Mile Together

At White House, Clinton Vows Continued Aid to Mandela

By Mary Ann French
and Donnie Radcliffe
Washington Post Service

WASHINGTON — They came from opposite sides of the racial divide, different shores of the sea and separate generations. But President Bill Clinton reminded President Nelson Mandela of South Africa that they are in similar straits as leaders of countries where equality is still far from reality.

Mr. Mandela was here looking for money and material investment to battle a new war, one against poverty, hunger, joblessness, homelessness, disease and illiteracy — obstacles that have yet to be overcome in the United States.

Mr. Clinton, calling himself a "child of the southern part of our country who grew up in a segregated environment and saw firsthand its horror and debasement," has offered the help of the United States in solving the continuing problems of South Africa.

"We will walk every mile with you," Mr. Clinton told Mr. Mandela in an official state welcome on Tuesday, "and will not grow weary on the way."

"The struggle in South Africa has always had a special place in the heart of America," Mr. Clinton continued. "For after all, we fought our own most terrible war here in our own land over

slavery. And our own civil rights movement has taken strength and inspiration from, and given aid to, your fight for liberty. Americans take great pride in the role we played in helping to overturn apartheid, and in supporting the free elections which produced your presidency."

The two presidents continued a sober celebration of their alliance at a state dinner.

Mr. Clinton read an excerpt from a letter Mr. Mandela wrote during his 27 years as a political prisoner to his daughter Zindzi Mandela-Hlongwane, who is traveling with him.

"While you have every reason to be angry with the fates for the setbacks you may have suffered from time to time," he read, "you must vow to turn those misfortunes into victories. There are few misfortunes in this world you cannot turn into personal triumphs if you have the iron will and necessary skills."

Mr. Clinton then turned to his guest and said: "President Mandela, you have shown us the iron will and the necessary skill."

Mr. Mandela, in turn, raised his glass and said gravely: "The United States and its people played a significant role in the struggle against apartheid and all that it stood for. We salute you for taking our concerns as your own."

Away From Politics

• The judge in the O.J. Simpson murder case has intensified his battle with news organizations by banning the second largest newspaper in Los Angeles from his courtroom because of a leaked story. Judge Lance A. Ito was punishing The Daily News for an article about a questionnaire for potential jurors, which the paper obtained a day before it was officially released. The Daily News challenged his ruling as unconstitutional.

• A federal judge in San Francisco has declared that California's gas chamber "is inhumane and has no place in civil-

ized society" and has ruled it unconstitutional. If upheld, the ruling would require the state to execute prisoners solely by lethal injection, a method added as an option by state law in 1992.

• A bomb threat forced an Aeroflot airliner to make an emergency landing in Gander, Newfoundland. The Moscow-Chicago flight continued after a search.

• The Postal Service will begin accepting credit and bank debit cards at 33,000 of its post offices. Officials said it would take two years to phase in use of credit

cards across the nation. They have been in use at 550 test sites in Washington, D.C., Orlando, Florida, and Dallas-Fort Worth for 15 months.

• The Board of Education in Hartford, Connecticut, has agreed to turn over the day-to-day operation of the city's 32 schools to a contractor, making Hartford the first community in the country to completely privatize its public school system. The decision follows years of frustration among parents and educators with the performance of the city's schools.

AP, LAT, WP

Oklahoman Shuns Clinton's Coattails

By R.W. Apple Jr.
New York Times Service

OOLOGAH, Oklahoma — President Bill Clinton is probably more unpopular in this state than in any other, says one of its senators, David L. Boren, a Democrat who is retiring this year.

"When Bill Clinton ran for president, people here hoped he was one of them," Mr. Boren explained in an interview. "Our guy next door, they thought, New Democrat, a lot less liberal than Dukakis or Mondale or Carter."

He was referring to two former Democratic presidential candidates, Michael S. Dukakis and Walter F. Mondale, and former President Jimmy Carter. "So he carried the state," Mr. Boren continued. "Now they've decided he ran under false colors, and that has infuriated them."

Which is why Representative Dave McCurdy, the Democrat who is running for Mr. Boren's seat, is so frustrated. The more he tries to suggest that he is a real New Democrat, unlike Mr. Clinton, the more his Republican opponent, Representative James M. Inhofe, portrays him as a Clinton clone.

If the president has a champion in Oklahoma this midterm election season, his voice is faint, and his sword is dull.

Mr. McCurdy has not invited Mr. Clinton to come to Oklahoma to campaign for him. When he is asked whether he intends to, he replies that he has asked

the country singer Garth Brooks instead.

A survey taken last weekend by Kielhorn & Associates, a Democratic consulting firm, put Mr. McCurdy 6 percentage points up; a poll completed only a few days earlier by Cole Hargrave Snodgrass & Associates, a Republican firm, gave Mr. Inhofe a 5-point edge.

Gary Copeland, a political scientist and associate director of the Carl Albert Center at the University of Oklahoma, said he was "as confounded as anybody by the disparity."

But he said he considered an Inhofe victory improbable because of the huge Democratic registration edge in the state and Mr. McCurdy's greater prominence.

The race here, one of a handful that will help decide which

party controls the Senate for the last two years of the president's term, is like many this year, only more so.

Few Democratic candidates are eager to embrace a president down on his political luck, and voters everywhere speak of their disillusionment with Mr. Clinton on questions like family values and personal responsibility.

"Every time the president has needed a vote," said Mr. Inhofe on Monday at the Liberty Glass Co. factory in Sapulpa, near Tulsa, "Dave McCurdy has been right there with him — on the budget, for example, and gun control."

Mr. McCurdy, a leader on Capitol Hill who succeeded Mr. Clinton as chairman of the centrist Democratic Leadership

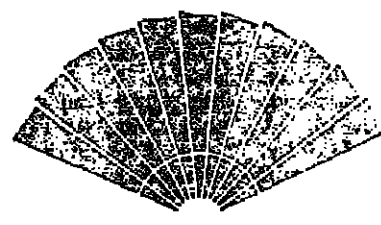
Council, said he had been disappointed by what he termed the president's "screwed-up priorities."

"I've been critical of him from Day 1 on foreign policy," Mr. McCurdy said. "He should have been concentrating on Russia, China, Korea, the Middle East, but instead he's been messing around in Bosnia and Somalia and Haiti. I wanted more spending cuts, and I sponsored alternative health care and welfare reform bills."

Oklahoma is a deeply conservative state, especially on what voters term "the morality issue," a heading under which they group questions about the president's private life and topics like abortion, homosexuals in the military and prayer in public schools.

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Herald Tribune

Published With The New York Times and The Washington Post

Maybe a Vote for Change

Just possibly, it is the end of the Kohl era after all. When Germany votes in 10 days' time, the man who has led it for the past 12 years, from half-country to Europe's greatest power, may not be the winner he seemed only a few weeks ago.

It would not be Helmut Kohl's own fault. Over the summer the doughty old fighter has rallied his Christian Democrats out of their early-1994 retreat in the opinion polls. His chief opponents, the Social Democrats, have wilted under the gray leadership of Rudolf Scharping. If Mr. Kohl loses, it will be because the underpinnings of German politics have shifted.

Although the polls say clearly they will survive, the Free Democrats, junior partners in almost every modern German government, right or left, conceivably might not make it to the Bundestag. Their beloved Hans-Dietrich Genscher pulled out of politics, exhausted, two years ago. A party of the musings, center may anyway not be what the voters of the powerful new Germany want. Beaten in a series of recent state elections, the Free Democrats could fail to win the 5 percent of the vote they need to claim any seats on Oct. 16. And without them Mr. Kohl cannot command a Bundestag majority.

The Social Democrats cannot win outright, either. But Mr. Scharping, unlike Mr. Kohl, has the necessary underpinnings. The Greens will almost certainly hold a chunk of the new Parliament. The ex-Communists of the Party of Democratic Socialism may win enough seats by direct vote in Eastern Germany to be there as well. If the Greens vote for Mr. Scharping and the PDS does not vote against him, here could be the makings of a new, Social Democrat-led coalition—or, at the least, a clumsy mating of Social Democrats and Christian Democrats which would probably eject Mr. Kohl from the chancellorship.

This would not necessarily be the best answer for either of Germany's two main current problems. At home, the Germans must get their public-sector deficit, swollen by unification, under control. The Kohl government is heading for a healthy improvement next year, the Organization

for Economic Cooperation and Development reckons; but the Social Democrats would almost certainly want to spend more on welfare. Abroad, Germany has to put its soldiers where its mouth is. But the Social Democrats are deeply diffident about letting the German Army serve abroad and the Greens, given a chance, would take an axe to the military budget.

Even so, Germans can make a case for saying that their country needs a change at the top. Mr. Kohl has held power longer than Margaret Thatcher and almost as long as François Mitterrand, both, for different reasons, examples of the danger of holding the top job too long. He has been an excellent leader of a rising country, hard-working, master of his brief, a skillful deal-maker, brutal when necessary. Many consider his experience and European connections of invaluable worth to his neighbors. But is he what this end-of-the-century Germany needs?

Mr. Kohl does not have Willy Brandt's (and Ronald Reagan's) power to warm the heart even when the mind disagrees with him. His armory omits both Lady Thatcher's compelling passion and what had been, until recently, the above-it-all authority of Mr. Mitterrand's later years.

The Germans' chief task in the next few years, even more demanding than budget deficits or military planning, is how to reconcile other Europeans to reunited Germany's forbidding strength.

This new strength confuses France, because it challenges France's 40-year-old belief that it can base its policy on an assumption of equality with Germany. It worries the new democracies of Central Europe, because they do not wish to be swallowed up by German economic power. It contributes to Britain's reluctance to bind itself more tightly to Europe. It is one reason why Russia wants to resume the command of its "near abroad."

The winning of acceptance for this new Germany requires a new impetus from German leadership. Now, a tiring Helmut Kohl, master of an earlier era, may not necessarily be the man charged to provide it.

INTERNATIONAL HERALD TRIBUNE.

Russia's Stolen Paintings

The Hermitage Museum in St. Petersburg has given a sardonic twist to André Malraux's description of the arts as "the voices of silence." For nearly 50 years, the museum has maintained total silence about scores of French Impressionist and post-Impressionist paintings. Most were the lawful property of a private collector in Weimar. Many were listed as lost or destroyed in Germany during World War II, when in fact they lay hidden in the museum. So closely was the secret kept that Mikhail Piotrovsky, the Hermitage's director, did not see the paintings until 1991.

Mr. Piotrovsky has now arranged for the public showing in March of such lost masterpieces as Degas's "Place de la Concorde." But on the matter of returning the paintings he is evasive, saying this is "a legal question." In truth, that legal question was settled in 1954, when the Soviet Union signed the Hague Convention for the Protection of Cultural Property, calling for restitution of captured artworks. In 1990, Moscow signed an agreement with Germany binding both countries to

return the art uprooted by each side.

A joint commission was supposed to catalogue missing works, ranging from the celebrated Amber Room, stripped from a czarist palace by German troops, to Schliemann's Trojan treasure, seized in Berlin by the Red Army. But the accord has yet to be executed as President Boris Yeltsin defers to nationalists who view looted as reparations. New skeletons keep tumbling from museum storerooms, suggesting Russia may also be hiding the Buddhist paintings from the Silk Road, once among the great prizes of Berlin.

Granted, it was long common practice for conquerors to plunder art, and light-fingered U.S. soldiers have grabbed their share. But rules have changed; the Yeltsin government seeks the restitution of czarist properties elsewhere. It is hard to reconcile this with Russia's dreadful example of looting masses of art, hiding it and then claiming that possession is 90 percent of the law. Why not instead a festival of exhibitions, as a prelude to restitution?

—THE NEW YORK TIMES.

Truth and the Trade Bill

The trade bill being weighed by the U.S. Congress would incorporate into law the terms of the new world trade agreement. Through tariff cuts and other means, it is expected to generate a strong expansion of the American and world economies. The fear among some is that it will cost the United States jobs; in fact it will have the opposite effect. Nor will it lead to the erosion of U.S. sovereignty, a weakening of health and safety, labor or environmental standards or a higher deficit.

The Washington Post has been attacked in recent days on grounds that its editorial support for the trade bill masks and is the result of a provision that would benefit The Washington Post Co. That is plain false. The newspaper has been a strong and tireless supporter through three administrations of the international negotiations that have now given rise to this bill. More than 400 editorials have been published in that period on the subject of trade. Virtually every one has been tilted in the direction of freer trade; many have endorsed provisions now part of the trade agreement; all but a few appeared before the bill and the revenue provision in question were even drafted.

We of The Post editorial page try to keep abreast of provisions in which The Post Co. has a commercial interest so that we can acknowledge them when they arise. Usually we do so. We failed to do so here; it was a mistake. What we should

have known and said about the trade bill provision is as follows: It involves the price that will have to be paid for a license to provide advanced cellular telephone service by a company in which The Post is a major investor and 70 percent limited partner. The critics describe the price as a deep discount. The Post Co. looks at it as anything but. The license was originally supposed to be free. It was one of three awarded by the Federal Communications Commission in a national competition meant to encourage companies to invest in new wireless technology. After the company in which The Post has its interest won the competition, the FCC changed its mind and said it would charge for the license. The possible proceeds were then seized upon by the administration and others looking for future revenues to offset the tariff losses under the trade bill. The license fee in the bill will be less than the fee would have been as proposed by the FCC. But the provision that officials of rival companies are calling a gift, Post company officials regard instead as a breaking of the government's word and a dunning.

Either way, the revenue provision was not a basis for the editorial. Nor does it seem to us to be a basis for voting either way on the bill. We continue to think, as we have all along and for the same reasons, that the trade bill ought to pass.

—THE WASHINGTON POST.

Disaster for Bosnia Muslims Unless the Sellout Stops

By Jim Hoagland

WASHINGTON — When the Clinton administration announced last week that it would delay seeking an end to the United Nations arms embargo against Bosnia for six months, critics immediately charged that this was a brazen, abrupt sellout of the Muslim-led government.

The critics are wrong. This is a subtle, slow-motion sellout of the Muslims.

Actually the second view is not right either. The White House is simply buying time, to try to change the awful circumstances it faces in Bosnia. But the result could wind up being close to a sellout if the United States is unable to deliver on the promises of increased aid and protection it gave the Bosnian government. The Bosnians eased the political pressures on Mr. Clinton by endorsing the six-month delay in the American effort to get the Security Council to lift the arms embargo against Bosnia.

The most important promise is to provide stronger and wider NATO air strikes to protect Muslim cities from attack by encircling Bosnian Serb forces this winter. To fulfill that promise Washington needs the cooperation of the United Nations and of its key allies in NATO.

But the United States is encountering strong opposition from both the United Nations and NATO, spearheaded by the British commander working for the United Nations in Sarajevo, Lieutenant General Michael Rose.

In Bosnia, the UN is committed to a traditional peacekeeping role, which means not taking sides — especially not against the Serbs, the stronger military force that has the capability of overwhelming UN forces and cutting off all supplies. Sir Michael insists that his forces will not cross what he calls "the Mogadishu line" of getting involved on one side in a civil war, as U.S. troops did in Somalia.

General Rose is waging a diplomatic war with the United States, not with the Serbs, "one angry U.S. official said this week. The statement, full of understandable hyperbole and frustration, reflects how scratchy relations between Washington and London have become on Bosnia. That in turn shows that American efforts to use the Bosnian conflict to maintain NATO as the chief instrument of American military presence and power abroad are also in deep trouble.

The retreat on lifting the embargo spot-

lights how far Mr. Clinton, who came to office determined to prevent the legitimizing of "ethnic cleansing" and aggression in Bosnia, has moved. Washington is willing to settle for far less today.

The immediate U.S. goal is to help Bosnia's embattled Muslim government survive the bitter winter of no war, no peace. The Bosnian Serbs encircle and squeeze Muslim cities but do not overrun them and the British, French, Dutch and other peacekeepers stationed there under UN mandate.

President Alija Izetbegovic's government in Sarajevo also seems to have come to the conclusion that a continuation of the existing stalemate is its best available option. The Muslims, despite increased clandestine arms supplies and better organization, are not ready to take on the Serb forces in decisive battles.

But there is a joker in the deck: If the Muslims are buying time, it is in the Serbs' interest to sell? Or might they decide they now have to finish the job in the next six months, before the embargo comes off?

Defense Secretary William Perry sought on Monday to get a commitment from Lieutenant General Rose's civilian

boss, the UN special representative Yasushi Akashi, for stronger air strikes if the Serbs step up their attacks. But news agencies reported that Mr. Akashi declined to give Mr. Perry a blanket approval for NATO strikes to back up U.S. promises to the Bosnian Muslims of greater protection in place of a lifting of the embargo.

Politically, the United States has chosen sides in Bosnia. But militarily, it is the captive of a UN bureaucracy that does not believe in choosing sides. This is a road map to a dead end.

In Haiti, the United States is not conducting peacekeeping, despite the fig leaf of a UN peacekeeping mandate. Haiti is a U.S. intervention with the clear purpose of kicking one political group out and installing another.

There is no such clarity of goals or of means in Bosnia. The Clinton administration has taken the risky step there of promising a degree of protection that it is unlikely to be able to provide. That is not quite the same thing as a sellout. But unless the United States is ready to change, or ignore, the UN's accommodationist stance toward the Serbs, it could be just as disastrous for the Muslims.

The Washington Post.

Don't Reward Milosevic's Maneuver

By Frederick Cuny

WASHINGTON — Before the West starts congratulating itself for driving wedges between President Slobodan Milosevic and his Bosnian Serb clients, consider who gains the most from Mr. Milosevic's latest maneuver to "close" the border across the Drina.

It was a foregone conclusion that the Bosnian Serbs would reject the peace plan advanced by the five-nation Contact Group. The problem for Mr. Milosevic was how to deflect the West's anger and distance himself from his obdurate Bosnian

cousins. He feared that if they didn't sign, the West would tighten the UN economic sanctions on straggled Serbia. The best way to slip a tightened noose, he concluded, was to announce that he, too, would put sanctions on the Bosnian Serbs.

Mr. Milosevic knew he would face skepticism. In fact, the United Nations demanded that he allow the stationing of international monitors on the border to prove his seriousness.

So Mr. Milosevic did a deft about-face. At first, he promised his people he would not allow foreign monitors on Serbian soil.

Then, in August, he agreed after all to permit the European Union to station observers to verify that Yugoslav customs officials were halting all but humanitarian aid. But there could be only 135 of them, when an estimated 500 to 800 would be needed. Nonetheless, UN, Western and Russian officials began to lobby for a relaxation of the sanctions against newly "reasonable" Serbia.

By making this minor concession, and dumping the Bosnian Serb leader Radovan Karadzic, his political rival, Mr. Milosevic not only avoided strengthened sanctions but opened prospects for easing them. He is not, however, giving up on the idea of grabbing more of Bosnia.

To Mr. Milosevic, the plan awards enough of Bosnia to the Serbs to make it acceptable for now, and it buys him time to take more later. The West is gambling that he will put sufficient pressure on his Bosnian clients to sign the plan and end the war. But is Mr. Milosevic really ready to give up Serbian gains in Bosnia? Or in the Krajina? Giving up Greater

Serbia and losing Yugoslavia would be the end of his career. What is happening? Mr. Milosevic has again outwitted the West. For now, he has little need to send supplies across the border. The Bosnian Serb Army is known to have large stockpiles of ammunition and fuel.

In any case, the border-monitoring regime verges on madness. The monitors are to be stationed only on the Serbian and Montenegrin borders, not in the Serbian-held Krajina, where arms have crossed for two years. The 135 monitors will be sufficient to watch only about 15 crossing points. The head of the monitoring team has said 48 locations should be watched.

The frontier is long, 527 river kilometers (325 miles), and mountainous. The river banks are heavily wooded. At many points the water is narrow and easily bridged. A tougher monitoring system than this hasn't enforced the sanctions on porous Serbia.

Helicopters are another way the Serbs could ferry supplies into Bosnia. Long ago, commanders of the light-exclusion zone apparently decided not to shoot down the helicopters that



violate the zone daily — thousands of illegal flights to date.

The American administration should be wary of being suckered again by the Europeans, who are anxious to ease the economic sanctions against Serbia. Relaxing sanctions now would be a major mistake. Once they are loosened, it will be impossible to tighten them again.

Ideally, the West should ratchet the sanctions on Serbia even tighter to ensure that Mr. Milosevic's break with Radovan Karadzic is strategic and not just personal and tactical. That, how-

ever, does not appear possible. At a minimum, the United States should make it clear that the "reward" for Mr. Milosevic's recent maneuvers to avoid tougher sanctions will be limited to not tightening them, at least for now. Instead, the talk is of easing sanctions. Who is smothering whom?

The writer is president of Intersect, a professional consulting firm in the field of disaster relief; he has been working in Sarajevo for two years for the Soros Foundation. He contributed this column to The Washington Post.

A Leader Unwilling to Govern Leads a Near-Ungovernable Nation

By William Pfaff

WASHINGTON — An argument can be made that the United States has become ungovernable. Certainly it is not being governed by its president. Real power has leaked out of the Clinton administration. Is this Mr. Clinton's fault, or is he the victim of impersonal forces?

His efforts to get his domestic agenda enacted have systematically been blocked by the Republican minority, in provisional alliances with Clinton opponents within the Democratic Party.

Foreign policy has slipped out of his control. U.S. policy toward Haiti and North Korea was taken out of his hands by former President Jimmy Carter, who repudiated Mr. Clinton's Haiti policy as something of which he was "ashamed." Mr. Clinton accepted that without a visible flinch.

Haiti policy now seems a daily improvisation. The secretary of

state and the national security adviser, meanwhile, are at odds; the former is on his way out.

Blame for Mr. Clinton's frustration ordinarily is assigned, by his friends, to a partisan and bloody-minded Congress, and an irresponsible press. This is true, up to a point. Congress certainly is obstructive and short-sightedly partisan to an extent not seen since World War II. Mainstream press and broadcasting also have been crueler to Mr. Clinton, for more frivolous reasons, than to any of his postwar predecessors.

The feeling is common in Congress and among the Washington press that the Clintons and their friends from Little Rock are getting what they deserve for having assumed (as one experienced senatorial campaign manager said to me last week) that because they

were "the smartest people in Little Rock," they could ignore the advice of the smartest people in Washington. The smartest people in Washington didn't like that and have taken their revenge.

Mr. Clinton also has created his own difficulties by an unwillingness to govern. He talks too much, constantly consulting press and polls on what he might or might not do, in what Stanley Hoffmann of Harvard two years ago described as "an endless academic seminar which never comes to a conclusion." This has robbed Mr. Clinton of the authority of his office. A president is supposed to announce policy, not talk it over with reporters.

This trifling with decisions also contributes to his loss of priorities. The president could probably have had GATT ratification

earlier this year had he put his mind to it. His Senate friends warned him of mounting danger, but he did not act on the GATT problem until the summer had ended, which allowed the enemies of reform to counterattack.

Now there has to be a special Senate session to deal with the bill, and GATT might not pass.

Mr. Clinton is also the victim of two characteristics of American society that have weakened its capacity to deal with its problems. The constitutionally installed division of government powers, together with the country's adversarial legal system, have made it extremely difficult for the executive branch at any level of government to get a decision made and installed.

Not only must legislative opposition be overcome, at a time when there is virtually no party discipline, but a variety of interest-

group challenges have to be overcome, and these today come in unprecedented numbers and virulence. One reason the Clinton proposal for health insurance reform failed this year is that it was too complicated. The reason it was so complicated was that its drafters had attempted to appease the interest groups in advance.

The pain and costs of getting anything done in American government now are very high — much higher than in cabinet-style governments abroad, or in societies with nonadversarial legal systems. These costs were not so high in the past because a large national consensus existed on national priorities, above all during the world wars and early Cold War years.

That consensus has been absent for most of the period since the 1960s. Democracy no doubt is all about disagreement and the assertion of individual or group rights (or what are claimed as rights but are often claims to privilege; a right is a "moral property" to which one has a just claim). The price that must be paid is today's very high coefficient of "friction" in American public life (and the economy), culminating in ungovernability.

This contributes to public alienation from the political process, higher today than ever. Demonstration of that is the fact that congressional candidates now all present themselves as enemies of "Washington." American rates of political participation and voting are very low and going down. They are lower than in any other modern democracy. This certainly is not what democracy is all about.

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Republican Landslide? Democrats Must Not Blink

By E. J. Dionne Jr.

WASHINGTON — It's obvious that 1994 will be a fine year for Republicans. What is not obvious, yet, is that the elections are destined to be the catastrophe for Democrats that so many in Washington are predicting. The line between Republican gains and a Republican landslide is actually quite thin because so many contests are close. What happens in the next month will matter a lot.

Republicans enter this election with three big advantages. First, they are bound to gain seats in the House because many conservative Democratic incumbents are retiring from districts that have been strongly Republican in presidential elections. It was only a matter of time before Republican voting habits seeped down to the congressional level. Second, rank-and-file Democrats are demoralized and disappointed with President Bill Clinton; many of them may just sit out this year. Third, the Democrats have so far run a largely defensive campaign, trying to prove that they are as fierce about crime and as reverent toward the family as any Republican on the ballot. Such campaigns do not convince anyone that Democrats have accomplished things in the past two years or have ideas about what to do with the next two.

Democrats cannot do anything about who is retiring, but they can alter the other factors. The first thing they want to do is get Congress out of town. Almost anything that gets the public's attention off Congress as a whole is seen as helping the Democrats who run the institution.

Democrats are also trying to discredit individual Republican

opponents. It is a sign of the times that Edward Kennedy has run his first negative campaign commercial since Massachusetts sent him to the Senate in 1962. Democrats are "going negative" early to prevent their foes from riding the current anti-Washington mood to prohibitive leads. The unspoken slogan is: We're no great shakes, but they are a lot worse.

These campaigns are having some effect — Mr. Kennedy, for example, seems to have restored his lead over the Republican Mitt Romney — but a move toward the negative may not save other endangered Democrats, such as House Speaker Tom Foley.

More promising is an assault on the "Contract with America" that most Republican House candidates have signed. Many Democratic strategists are gleeful because this document ties "outsider" Republican candidates back to their congressional leadership and defines the Republicans as advocates of tattered Reagan-style tax cuts. By promising to balance the budget without offering specifics, Republican leaders have invited questions about unpleasant details. A month before Election Day, the Republicans are on the defensive.

Forward into the Past is not an appealing slogan. And by reopening the deficit debate, the Republicans' plan helps the Democrats claim the mantle of fiscal responsibility. This, at least, contains the seeds of a partly positive message, last year's deficit reduction package being the Democrats' main achievement and the economic recovery being the main

thing they would like credit for.

But the Democrats face much deeper difficulties. These are summarized by two lines of attack against Mr. Clinton from within his party. On the one side, centrist "New Democrats" argue that Mr. Clinton reversed his priorities in proposing a huge government-led reform of the health care system before convincing voters that he had reformed the way government does business. In this view, Mr. Clinton would have done better by starting with the reform of smaller programs and putting more emphasis on his and Vice President Al Gore's plans to reshape government.

Some in the party's liberal wing, on the other hand, argue that with the failure of health care, Mr. Clinton has nothing much to offer other than deficit reduction. His liberal critics note that the economically insecure — the "forgotten middle class" of the 1992 campaign — feel little better now than they did two years ago and thus still mistrust government.

These critiques have more in common than those who make them might realize. On the one hand, neither fully takes into account how difficult the deficit problem has made everything else. Mr. Clinton would have a much more visible program in areas popular with new and old Democrats alike if the deficit plan had not so restricted his ability to spend. On the other hand, both sides in the Democrats' intramural debate are expressing a common frustration at Mr. Clinton's failure to convince Americans that government can actually work.

Mr. Clinton cannot change all that in the month left to Election Day. But he can argue that, like it or not, his deficit program was the first step toward restoring government's ability to get anything else done.

A lot of the voters who have turned on Mr. Clinton still tell the pollsters that they admire him for taking on tough problems and want him to succeed. Mr. Clinton's assignment this fall is to persuade them that it is still possible. Otherwise, the Republicans may well win their landslide.

The Washington Post.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1894: Eyes on Formosa

LONDON — It is stated that the Japanese Government has been in communications with the British Foreign Office and also with the Russian Government with a view to ascertaining if, in the event of a treaty of peace being concluded, Great Britain or Russia would make any opposition to Japan's annexing Formosa or some other part of China, it being understood that the independence of Korea must be left intact.

1919: Dairy Profiteers

PARIS — At last! The judicial authorities are tracing the profiteer to his lair. Because of the shortage of butter and eggs on the Paris market the police authorities have considered it advisable to investigate in Normandy, the great dairy centre of France. The inquiry has been fruitful, for

more than fifty intermediaries are to be charged with profiteering, among these "butter dealers" being a midwife and a foreman printer! They had been cornering butter and eggs at prices even higher than the "normal prices."

1944: Relief for Greece

ROME — [From our New York edition:] The long-promised British relief expedition into Greece has begun in the wake of withdrawing Germans, it was revealed in an official announcement here today [Oct. 5]. The Balkan Air Force headquarters announced that the first arrival of British land and air forces on the Greek mainland "met with a widely enthusiastic welcome from the inhabitants." The announcement stated that land forces of the Adriatic have entered Patras, which is "believed to be one of the enemy's last strongholds in the Peloponnese."

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International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92521 Nanterre-sur-Seine, France.
Tel.: (1) 46 37 93 00. Fax: (1) 46 37 06 51. Adv.: 46 37 52 12. Internet: IHT@eurocom.fr

Editor for Asia: Michael Richardson, 5 Canvey Island, Singapore 0511. Tel: (65) 472-7768. Fax: (65) 274-2334
Mng. Dir. Asia: Rolf D. Knappe, 50 Gloucester Rd., Hong Kong. Tel: 852-9222-1188. Fax: 852-9222-1190
Gen. Mgr. Germany: T. Schuler, Friedrichstr. 15, 10117 Berlin. Tel: (49) 30 72 67 55. Fax: (49) 30 72 73 70
Pres. U.S.: Michael County, 289 Third Ave., New York, N.Y. 10002. Tel: (212) 752-3890. Fax: (212) 752-3233
U.K. Advertising Office: 65 Long Acre, London WC2E 9LT. Tel: (071) 836-4802. Fax: (071) 240-2234
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O P I N I O N

The Sea That Blew Away: A Central Asian Tragedy

By Jessica Mathews

WASHINGTON — In a sad first, environmentalists recently notarized a death certificate for a sea, suspending further efforts to save the Aral Sea. Recognized as a crisis only in the mid-'80s, the sea has shrunk by two-thirds in just 20 years and has already split in two.

A large fishing industry has been destroyed and once-thriving ports now lie 50 kilometers (30 miles) from the shore.

The fate of what was the planet's fourth-largest inland body of water,

resemble the site of a biblical plague. Salt fog, salt rain and dry salt crystals coat fields and poison people. Thousands of square kilometers of farmland cannot now grow anything, and on thousands more productivity is dropping, propped up only by heavier and heavier use of fertilizer and pesticides and more and more water to rinse the fields of salts after each harvest. The added chemicals poison the water supply. The rising flushes away salts that the soils need, requiring yet more fertilizer, and so on in a rapidly descending spiral.

As always when the natural water balance is disrupted, where there isn't too little water, there is too much. In the frenzy to fulfill Moscow's plan, irrigation canals were built without liners in sandy soils so that as little as 20 percent of the water reaches the fields. The rest seeps into the ground, turning productive farmland into useless, salted swamps, poisoning fresh groundwater, causing buildings and power systems to collapse and flooding towns, which then require constant pumping at huge energy cost.

An impoverished diet (no fish from the sea, no fruit and vegetables from the ruined land), toxic water and pitifully inadequate health care have created epidemic levels of once unknown diseases. Premature births are the rule, and women are warned not to breast-feed — their milk is too dangerous. Infant mortality is the highest in the former Soviet Union

and may be — the data are not reliable — among the highest in the world. In the worst-hit areas it is difficult to find a healthy person.

The region is now freed from Moscow's colonialist rape of its resources, but the collapse of the Soviet Union also means that five countries rather than one must somehow find a way to share too little water. Supplies could be doubled through easy steps like fixing leaky canals, but everything that needs to be done costs money the governments don't have.

Making the water safe to drink and thereby lowering the health care burden and restoring people's hope for the future will cost vastly more. Restoring the ecosystem — and possibly

the region's future livability — would take a switch away from cotton and irrigated agriculture, and on that point countries' interests sharply diverge. Uzbekistan and Turkmenistan, both dependent on cotton exports, would have to turn their economies upside down.

Central Asia's tragedy is a cautionary tale for our time, a reminder that this one lifespan — from about 1950 to 2040 — will probably be the most significant in human history. In these few years, world population will nearly quadruple (from 2.5 billion to 9.5 billion), economic output will likely grow ninefold, and energy use and wastes will grow concomitantly. For the first

time, man has acquired the power to swiftly alter the systems that govern the planet's basic health, on a regional scale as in Central Asia, and globally as well.

The power to act has come before the knowledge to foresee the consequences. We must either acquire that scientific understanding and the wisdom to follow it very quickly — certainly in the next couple of decades — or perhaps leave the world permanently less hospitable to future generations.

The writer is a senior fellow at the Council on Foreign Relations. She contributed this column to The Washington Post.

The Tugboat on the Lawn: A Tale of Man and Nature

By Hans Koning

NEW HAVEN, Connecticut — I was on my way to Montreal from New Haven, where I live. It was dusk on a clear, early fall evening as I drove through Granby, a Quebec town an hour or so from Montreal. I decided to stay over and arrive fresh and shaven in Montreal the next morning. Granby has a nice-looking, recently built hotel.

I asked for a room on the top floor. It had a balcony and I stepped out and looked at the last rays of the

sun setting behind the hill of the La Yamaska nature park. Below me lay a lawn with white garden tables and chairs and the hotel swimming pool.

Suddenly, joltingly, a machine started up. I discovered that the three vast, cement-encased cylinders against the hotel wall and facing the lawn were not abstract sculptures but funnels for the hotel air-conditioning system, now roaring like the engine of a tugboat pulling an ocean liner. I beat a hasty retreat and closed my balcony door and the curtains, which didn't much lessen the roar. It stopped and started again all night.

This is not an anti-noise complaint. But spending the night in that room, I thought of the many small pleasures we are losing, how a new generation might never know of them or miss them. How many nights a year would a sleeper in Granby need air-conditioning?

And what had happened to people, to the guests on that lawn, that they didn't mind swimming and sunning themselves or having a drink in the

ambience of a tugboat's engine room? Didn't they realize that they were losing out on the sound of bird song, the smells of nature, the caress of the breezes of the night?

I know these questions are largely rhetorical. No, these people don't mind the roar of a machine because they live lives during which leisure is mostly filled with the roar of television or Walkmans. They don't miss the sounds and smells of nature because nature — subconsciously, maybe — has become an enemy except in very controlled circumstances.

Nature has to be sanitized and kept at bay, with guards, curfews and a dizzying set of other rules and regulations, benches, white lines, parking lots, chemical outbushes. Even our own circumscribed little gardens are not kept for sitting in and, say, reading, but for dousing with insecticides and trimming and manicuring with mowers and the newest weapon, leaf blowers.

Once, nature was a legitimate enemy: Back when there were wolves in the woods around Brussels, when travelers could lose their way and die of hunger and thirst on the plains of White Russia. But now, nature (aside from the weather) has long been tamed, and at such latitudes as New Haven and Granby it very rarely shows its old hidden strength.

To us here, nature becomes dangerous when we ourselves have first polluted it. In fact, some might argue that we aren't protecting ourselves from nature but protecting nature from us. No doubt that is sometimes true, but it does nothing to change the perception that nature is "the other" of which we cannot be part.

That, we are told, is the price of progress. But progress does not have to become a dirty word unless our lack of sense makes it so. The human body isn't happiest in a controlled, lukewarm environment of machine-made air. The wonder of nature may hit us at any time, but preferably not in a rest area with a dozen other cars under a sign, "Point Lookout. No Smoking. No Loitering. No Walking on the Grass." The night wind, perhaps too warm or too cold for "comfort," has its own mystery.

I don't know if it's true that the view of nature as an enemy or, at the least an opponent, who has to be kept at arm's length, arranged and filtered, is a typically male trait. It is certainly a late 20th century human trait. It closes off a world of sensations for us and for our children.

International Herald Tribune.

Man has acquired the power to swiftly alter the systems that govern the planet's basic health.

and the environmental and human catastrophe unfolding in the five Central Asian Soviet successor states, would make a 20th century morality play.

The immediate culprit was cotton, which Moscow used to call "white gold" for its ability to earn hard currency. The real villains were greed, stupidity and unchecked, tunnel-visioned apparitions on the one hand, and on the other a lethal combination — by no means unique to the region — of mankind's technological power and still largely unrecognized ecological ignorance.

In one sense, the result was not unintended. As the rivers that feed the landlocked sea were tapped to irrigate vast new cotton fields, the sea would have to shrink. Experts even argued that the disappearance of the sea would be a good thing. The land where it had been could be used to grow more cotton, watered by canals from Siberia's rivers, or by using nuclear explosions to make those rivers flow southward instead of — in this view — wastefully into the Arctic Ocean. What no one recognized was that the Aral Sea was the region's ecological linchpin, whose role even the most gargantuan technology could not replace.

Normally, a huge mass of water vapor evaporating from the sea intercepted the fierce, dry winds that blow out of the north. As the sea shrank, summers became hotter and drier and winters grew longer, colder and snowless. The local climate became less and less suited to cotton.

Wind erosion and salt storms blown from the receding seabed make what was once a fertile land

A Nonstarter for Bosnia

Regarding "An Unpleasant Turn to Milosevic May Be the Only Way in Bosnia" (Opinion, Sept. 29):

James Lowenstein suggests that the best way to solve the "Bosnian problem" may be to allow Slobodan Milosevic to send his army into the "Greater Serbia that has always been his objective." It is incomprehensible that anyone would think that sending in the Serbian Army could end the war since it was precisely the former Yugoslav Army that started the war. Mr. Lowenstein's suggestion has an ugly and genocidal echo.

KSENIA MARINKOVIC, Rennes, France.

The Sociology of Abortion

Regarding "O&A: Two Cheers for Vatican From a Spanish Theologian" (Sept. 19) by Barry James:

It was unfortunate that the only description given of Enrique Miret Magdalena was as a "Spanish theologian and author." His analysis of the Catholic Church, highly superficial and political, appears to be much more that of a sociologist than a theologian.

Mr. Miret Magdalena concedes that abortion is a "negative, bad thing," but claims that the Vatican should not make a fuss about it if democratic countries have legalized the procedure. Genocide was legal in Hitler's Germany, and no country, however democratic, can take a

crime and by law make it a right.

The theologian also states that the democratic nations allow abortion "in extreme cases." That is not the case in Western Europe. Many of the abortions in Italy are performed on women who already have two children and do not want a third. That's not an extreme case; that's abortion being used as a means of family planning.

ANDREA BETTETINI, Rome.

A Great Political Leader?

While Gerry Adams appears to have mesmerized the U.S. media, he represents only the political wing of the Irish Republican Army and no one else. He was elected to Parlia-

ment in 1987 and when he ran for reelection in 1992 he was defeated. Yet he is feted and hailed as "a great political leader." Who is he supposed to be leading? If you want a visitor to America to speak for Northern Ireland Catholics, there is John Hume. At least they voted for him.

NORMAN MOSS, London.

'She-Wolf' With Electric

Regarding "Debbie Davies, at the Front of the Blues Revival" (Sept. 21):

Mike Zwerin says he cannot think of one black woman who plays electric guitar. Let me give him one: Jessie Mae Hemphill, a native of Mississippi, who has recorded several albums and toured in Europe. The cov-

er of her album, "She-Wolf" shows her holding a National Electric.

FABRICE ZIOLKOWSKI, Nice.

Red, White and Efficacious

Both the recent article about Egypt's Cru des Prolémées (Sept. 26) and the indignant letter to the editor it occasioned (Sept. 29) miss the point by focusing on its taste. Far more important are the wine's detergent properties. During a recent stay in Cairo, I found the white excellent for cleaning brass. As for the red, it was most efficacious in flushing out unwanted visitors — in every sense of the word.

LESLIE CROXFORD, Madrid.

1955: the Super Constellation – Frankfurt to New York nonstop. 1970: Europe's first 747. 1991: the number one airline to Eastern Europe. 1993: 28 million passengers. The future? Our most important objective remains unchanged.

 **Lufthansa**

Your smile.

4 Tourists Are Hurt in West Bank Bus Attack

Compiled by Our Staff From Dispatches

JERUSALEM — Four tourists were slightly wounded, and a Palestinian was shot to death Wednesday in separate attacks in the West Bank.

The tourists were wounded when a grenade was thrown at their bus, which was parked in the Arab town of Azariya, outside Jerusalem. The tour group was visiting a church built on the site where Jesus is believed to have resurrected Lazarus.

An Italian woman and an Argentine man were taken to the hospital with eye and hand injuries that doctors said were "very slight." The other two were treated at the site by paramedics.

The Palestinian tourism minister, Elias Freij, condemned the attack, calling on Palestinians to give "full protection, to respect and show hospitality to all pilgrims."

The chief of Palestinian security in the West Bank, Jibril Rajoub, also condemned the attack, Israeli Radio said. Mr. Rajoub said Palestinian security forces would prevent such attacks once they assumed responsibility throughout the West Bank.

Israeli troops, meanwhile, shot and killed a Palestinian when he tried to stab a soldier in the West Bank city of Hebron, military sources said.

Ziad Amar, 21, was the second Palestinian to die in similar circumstances in less than a week in Hebron, where a Jewish settler shot and killed 29 Palestinian worshippers in February.

Since the massacre, every incident sparks further violence, and Palestinians reported extensive riots throughout the city Wednesday. Hospitals reported that a 50-year-old man received a gunshot wound in the arm.

The army put Hebron under curfew, ordering the 80,000 Arab residents indoors.

(AP, AFP)

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SHELTER'S WHERE YOU FIND IT — A Rwandan refugee at a camp Wednesday in Zaire. Aid workers returned to the Katala camp under the protection of Zairian police, who investigated a report that 30 Boy Scouts, who had been helping the weak and elderly guard their food against theft, had been massacred there at the end of September.

Power Struggle in Azerbaijan

President Appears With His Rival After a Coup Accusation

Compiled by Our Staff From Dispatches

BAKU, Azerbaijan — President Heydar A. Aliyev appeared in public Wednesday with his rival, Prime Minister Surat Huseynov, whom he had earlier accused of mounting a coup, suggesting the two had patched up their shaky relations for the time being.

But a senior aide to Mr. Aliyev strongly suggested that Mr. Huseynov, who has not enjoyed good relations with the president since helping him take power last year, could be forced out.

Earlier Wednesday, Mr. Aliyev said in a televised address to the nation that "dark forces" backed by pro-Huseynov troops had seized the airport and other strategic buildings in the western city of Gence, which is the prime minister's power base.

An emotional Mr. Aliyev told a 20,000-strong crowd of his supporters in the capital, Baku, that government forces

had taken back the airport, with the loss of three soldiers.

"The country was on the edge of civil war; at the last moment we were able to avert the crisis," said Mr. Aliyev, who said he had reprimanded Mr. Huseynov for leaving his post for several hours on Tuesday evening.

Mr. Huseynov, who became prime minister last year after leading a rebellion to overthrow the former president, Abulfaz Elchibey, stood silently behind Mr. Aliyev.

"Surat Huseynov stands here with me now, but I told him, face to face, that a governmental figure should be in his place," said Mr. Aliyev, who on Monday proclaimed a 60-day state of emergency.

Mr. Huseynov, 36, had earlier laughed off allegations that he was trying to grab supreme power.

"I am not taking part in any coup," he said. "I went to have a cup of tea. I didn't go anywhere."

He insisted that he still backed the 71-year-old Mr. Aliyev and blamed unidentified "independent groups" in Gence for the uprising.

Mr. Huseynov became prime minister in an uneasy power-sharing deal with Mr. Aliyev, a former Soviet Politburo member and KGB general who returned to power as president after Mr. Elchibey's ouster. Both were closer to Moscow than was Mr. Elchibey, a pro-Turkish nationalist.

But a rift between Mr. Huseynov and Mr. Aliyev has widened since then, and observers had said a showdown was imminent.

A Western diplomat cautioned: "Aliyev has the upper hand for now, but I do not think we have seen the last of Mr. Huseynov."

In his television address, Mr. Aliyev warned that a coup threat was again coming from Gence, and perhaps from Russia farther north.

(Reuters, AP)

IRAN: Revolution Slows

Continued from Page 1

some segments of society, gleaming high-rise office buildings and residential towers are appearing all over Tehran, especially in the affluent districts. Some have been built with capital from private businessmen and the bonyads, the revolutionary foundations established by Ayatollah Ruhollah Khomeini to uphold the revolution and care for families of Islamic "martyrs."

The Bonyad Mostazaafan, which took over companies nationalized after the fall of the shah, had the initial social and revolutionary objective of caring for the downtrodden. Now it has become a huge conglomerate, with bank accounts in Europe, secret budgets and an untouchable elite of spiritually well-connected executives.

The presidents of these foundations are appointed by Ayatollah Sayed Ali Khamenei, the country's spiritual leader, but until recently there has been no official scrutiny of their dealings.

Two weeks ago, in response to inquiries about corruption, the Majlis ordered a detailed investigation into all bonyad holdings and actions, according to Mr. Khamenei.

"Maybe some people are cheating, like all over the world," he said when asked whether these instruments were living up to their mission.

"We believe only 14 people are innocent since the encounter of Adam and Eve," he said. "All the rest are kind of shady."

As for the good list, he named "the Prophet, his daughter and his 12 followers."

Realizing he had missed a few of the virtuous, he quickly added that "all religious prophets" were innocent.

Mr. Khamenei said that in the future, the bonyads, seen by some as a state of uncontrollable economic power within the state, may be dissolved and their assets sold to the private sector to add income to the treasury. But the investigation of the bonyads will not resolve the issue of subsidies, now being debated in the Majlis.

A Central Bank official lamented that at the prices the state buys flour and sells the resulting bread, Iran is losing money. In Meshed, farmers sell subsidized flour at black-market rates and feed bread to their cattle. Subsidized gasoline costs only 7 cents a gallon, and a crucial measure of Mr. Rafsanjani's ability to bring about economic reforms will be whether he can end the hefty fuel subsidies.

According to rumors, Iran's elite scholars, the 80-man Assembly of Experts, are debating a third term for the president, who is limited to two by the constitution. But the larger question is not his political fate but whether his far-reaching policies will survive.

What is at stake for the West is whether the pragmatic forces, with whom Mr. Rafsanjani has been identified as favoring economic realism and a reintegration of Iran with the rest of the world, will be able to shape the future.

"For every step Rafsanjani takes forward, he has to take two steps back," a businessman complained. Like many other Iranians, he had hoped Mr. Rafsanjani's election last year would set Iran on the road to irreversible liberalization, free enterprise and an opening to the West.

This trend has been overruled so far by clergymen pushing their minions into key positions at the Central Bank and other institutions at the expense of technocrats.

Inside the Barn, a Grim Scene

Bodies Found Strewn About a Primitive Altar

By Robert L. Kroon

International Herald Tribune

CHEIRY, Switzerland — On the edge of a pine forest, a charred hulk of a half-intact barn was all that remained of the farm of Albert Giacobino.

That was where fire fighters and policemen discovered the bodies of 23 men and women on Wednesday in or near a primitive shrine in a room behind a hidden door on the barn's ground floor. The farm is outside Cheiry, a bucolic village of 230 people in rolling pasture land between Bern and Lausanne.

The windowless shrine had mirrors on the walls and a rudimentary altar and cross in the center. Bodies were strewn about on the concrete floor and in an adjoining room.

According to a police spokesman, Beat Karlen, one of the first witnesses on the scene, "some had their heads covered with black plastic garbage bags, taped or tied around their neck, but most showed bullet wounds in the head."

"The men were clad in black and red cloaks, the women in white, ankle-length garments with gold embroidery," he said. "We found a 6.3mm pistol and several empty cartridges."

This, he said, cast doubt on the initial reports of suicide. A fire fighter, André Thierrien, said: "If this was suicide, someone for sure gave them a helping hand."

Witnesses said the mass killing had been elaborately prepared. Propane canisters were installed throughout the farmhouse, interlinked with electric wiring that was connected to a telephone.

In addition, plastic bags with gasoline were discovered on the ground floor. But only the living quarters of the owner, a retired farmer, Albert Giacobino, and the top floor of the barn caught fire.

Mr. Giacobino was found lying in bed, shot through the head.

"For some reason he did not join the others in the shrine for the collective death rite," Mr. Karlen said.

The incendiary devices on the ground floor did not go off, sparing the shrine and providing investigators with clues about the identity of the cult members and their backgrounds.

The police discovered passports and driving licenses of Swiss, Canadian and French origin.

"I knew Mr. Giacobino well," said Mr. Thierrien. "He was in his 70s. Before he bought this place in Cheiry two years ago, he had a big farm in Versoix, near Geneva."

"He told me he had traveled extensively, to Australia and Canada," Mr. Thierrien said. "He was friendly but a bit funny, talking about heaven and earth and things."

Serge Thierrien, secretary of the village council, said the farm was owned by a company called the Cheiry Agricultural Research Farm.

Its specialty was macrobiotic produce and members of the

sect and their visitors were busy in the garden every weekend tending their vegetables.

Only five people lived at the farm permanently, including Mr. Giacobino and his elderly female companion, a younger couple and a young man. The

three younger people all had outside jobs, one of them at a nearby hospital.

The police are working on a theory that one or more ring-leaders oversaw the killings in Cheiry, and then went to chalets, 80 kilometers (50 miles) away, to kill other cult members and set fire to the buildings.

A police source said the fires in the chalets began around 4 A.M., four hours after the blaze at Cheiry.

Jonestown to Waco: A Series of Cult Deaths

Agence France-Presse

PARIS — The mass deaths in a Swiss village was the latest in a number of deadly incidents involving cults, the most dramatic being the 1978 mass suicide of more than 900 members of People's Temple in Guyana.

That incident on Nov. 18, 1978, resulted in the death of 913 men, women and children who were members of the sect, founded by the Reverend Jim Jones.

The suicide was preceded the night before by the murder by sect members of Representative Leo Ryan and three reporters who had traveled to Guyana to investigate complaints by parents whose children had joined the sect. The Reverend Jones, who had organized an agricultural commune at Jonestown, Guyana, called on his followers the next day to kill themselves in what he said would be a "revolutionary act." Most of the victims drank poison, although the Reverend Jones died from a bullet wound to the head. Authorities were not able to determine if it was self-inflicted.

More recently, about 86 people died in Waco, Texas, when U.S. agents raided the Branch Davidian sect led by David Koresh, a self-proclaimed prophet. Most of the victims burned to death in a fire that erupted once the raid began. Mr. Koresh was among the dead.

Other mass suicides linked to sects have been reported in the last 10 years:

• On Sept. 19, 1985, about 60 members of the Ata tribe on the island of Mindanao, off the Philippine coast, were reported by local newspapers to have committed suicide by swallowing poison on order of their high priest, Datu Mangayonan.

• On Nov. 1, 1986, the charred bodies of seven women were found on a beach in Wakayama, in western Japan. The victims, members of the Church of Friends of the Truth, said in suicide notes that they wanted to end their life following the death of their spiritual guide Kiyoharu Miyamoto.

• In August 1987, 32 followers of a sect organized by Park Soon Ja, a high priestess who believed she was a goddess, were found dead in Seoul, South Korea. Police said most of the victims had swallowed a nonlethal dose of poison and that their throats had been slit.

CULT: 50 Members Die

Continued from Page 1

not catch fire. The dead were found with their hands clasped, as if in prayer. One couple was in an embrace. Champagne bottles littered the floor.

The police said there was no evidence of a struggle in the two chalets, where the bodies of children were found lying next to one another and some couples were lying in bed.

Documents and a cassette recording with apocalyptic warnings were found at the farmhouse, along with a chalice, a sword and occult inscriptions, one of which read "the cross and the rose." The police said the fires had been ignited by detonators connected to telephones and linked to cans filled with gasoline and propane gas.

Neighbors said the farm had been bought three years ago by a group that said it was involved in macrobiotic and organic farming. The chalets are about 80 kilometers (50 miles) away near Granges-sur-Salvan.

Mr. Jourret, a 46-year-old Belgian homeopathic doctor, is grand master of the Solar Tradition, an offshoot of the Renewed Order of the Temple, one of dozens of groups claiming to be the heirs of the Knights Templar, dissolved in the 14th century.

The Knights Templars rose to prominence during the Crusades, rivaling the Knights Hospitallers. But, possibly with an eye to confiscating their enormous wealth, King Philip IV of France banned them in 1307 after rumors of irreligious practices and blasphemy during their secret initiation rites.

Canadian policemen were investigating whether Mr. Jourret was one of two people found in a burned-out house at Morin Heights, north of Montreal. The house was owned by Mr. Jourret, as were the three Swiss chalets. He is wanted in Canada on charges of possessing and trafficking firearms.

The bodies in Quebec were wearing medallions with the initials TS, the French initials of Solar Tradition. The Canadian police said the house also was wired up with timers and gas tanks.

The Renewed Order of the Temple was founded in 1970 by Julien Origas, a former Gestapo official, and dabbles in astrology, alchemy, the cabala and oriental mysticism, according to the Ikor Center.

Jean-François Majer, a Swiss cult expert, said that Mr. Jourret had "created an atmosphere of an impending catastrophe around him."

ITALY: Inquiry Jolts Government

Continued from Page 1

told Corriere della Sera: "It is true, we are at a crucial, important point. What has appeared in the newspapers about the Telesia problem shows clearly enough that there is a risk of reaching very high levels in the world of politics and finance."

The latest collision added to the confusions that have built in recent days, with President Oscar Luigi Scalfaro complaining about the government's handling of the country's austerous budget and Irene Pivetti, the speaker of the lower house of Parliament, criticizing the government's use of emergency de-

crees that do not require Parliament's approval.

While this fevered discussion over the separation — and exercise — of power continues, opposition politicians argue that the real issue is the ever-more apparent conflict between Mr. Berlusconi's position as prime minister and his continued ownership of vast holdings in the media.

"It should be clear, not only to opposition forces but also to the majority that this situation has become intolerable for our democracy," said a statement by the opposition party, the Democratic Party of the Left.

BOX:

Computer Camp

Continued from Page 1

for Computer Associates, Electronic Data Systems Inc. and various sponsors who have contributed software and equipment to the retreat, they forge relationships with leaders of dozens of companies that are potential customers.

Mr. Wang, whose company dominates the global market for mainframe computer programs, also exploits the opportunity to warn the executives to be wary of technologists who urge them to abandon their trusted mainframes in favor of expensive, untested networks of personal computers.

But usually, Mr. Wang's advice is delightfully candid and non-technical.

"How do I know whether to single-click or double-click with the mouse?" one executive asked.

"Wang's Rule on mice is, try clicking once, and if nothing happens, click twice," Mr. Wang answered.

He also offered strategic suggestions.

"Make technologists part of the management team," Mr. Wang advised. "A technology officer who does not have a vested interest in business operations will simply spend all your money and then go on to another business."

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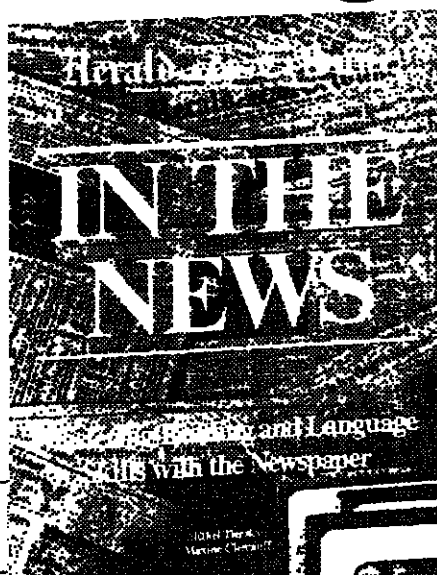
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2001

Let's Talk, Patten Urges Recalcitrant Chinese

By Kevin Murphy
International Herald Tribune

HONG KONG — Marking the start of a 1,000-day countdown until Hong Kong reverts to Chinese rule, Governor Chris Patten on Wednesday called on Beijing to end an impasse in British-Chinese relations that threatens a smooth transfer of power.

"What is at stake is perfectly clear — the future well-being and prosperity of Hong Kong," said Mr. Patten in a conciliatory speech that nonetheless subtly blamed China for failing to endorse a long list of legal and financial agreements crucial to orderly change.

Sounding more like a mayor running for re-election than a figure at the center of simmering distrust between Britain and China, Mr. Patten announced a minor concession to Beijing along with several new social welfare initiatives already condemned by China.

"Sincerity does not mean one party has to always agree with the other," Mr. Patten said, alluding to charges leveled at Britain by China, which remains bitterly opposed to democratic changes passed by Hong Kong's legislature in June.

"Cooperation isn't a one-way street," Mr. Patten said.

Frequently citing Britain's "lack of sincerity," Chinese members of the British Chinese Joint Liaison Group that is charged with negotiating major details of the 1997 handover have failed to find common ground on issues ranging from financing for Hong Kong's new \$20 billion airport to the localization of British laws.

"We still have not been able to reach an agreement on the development of Container Terminal 9 for reasons which have worrying implications for the territory's future as an international center for business," Mr. Patten said.

The negotiations have been hampered by Beijing's opposition to the Jardine Matheson group, one of several firms involved in the project.

"While we mark time on this project, the shipping business goes elsewhere," Mr. Patten said, echoing a theme recounting the economic cost to China of lack of progress in the talks.

In proposing a limited role for a Beijing-appointed committee previously ignored by the British, who feared its role as a rival power center in Hong Kong, Mr. Patten said he hoped to "put a bit more petrol in the JLG's tank."

But analysts said a willingness to involve the Preliminary Working Committee, a body composed of senior Chinese officials and leading Hong Kong residents deemed loyal to Beijing, stopped short of a major backdown by Britain.

"It was a conciliatory speech but in essence it said, 'We will do almost anything to work with you, but at the end of the day it's not just Britain's problem,'" said Nick Moskos, a China analyst with S.G. Warburg Securities.

In an early reaction reported by Hong Kong's RTHK radio, a spokesman at the Xinhua news agency, China's de facto embassy in Hong Kong, dismissed the speech as "merely words." A senior official in the Hong Kong and Macao Affairs office in Beijing said: "We have to see what the Hong Kong government does. We need practical actions to show sincerity."

On Tuesday, Chinese offi-

cials preempted the announcement of a series of measures designed to assist the elderly and disabled and improve health care in the colony by warning Hong Kong residents to beware of a move to "introduce welfareism vigorously."

"This is not merely going against the Joint Declaration and creating a danger to the Special Administrative Region," said Wang Fengchao, a deputy director of the Hong Kong and Macao Affairs, referring to the 1984 treaty governing Hong Kong's return.

"This is bound to hurt the capitalist system," he was quoted as saying by a Chinese news agency. "Hong Kong people must be vigilant against this and not be confused by a beautiful package."

Mr. Patten rejected the criticism, citing Hong Kong's successful program to increase social spending while cutting taxes and capping the percentage of the colony's gross domestic product earmarked for social spending.

During a press conference following his speech, Mr. Patten also rejected China's protest of a Hong Kong government decision to allow a pro-Taiwan group to hire a public hall to stage celebrations of Taiwan's national day on Oct. 10.

China views the government's decision to rent the Cultural Center to Taiwan-backed Chinese Cultural Association as an endorsement of a "two Chinas" policy it has bitterly opposed since 1949, when Taiwan's Nationalist-led government fled Mao's armies.



EYES ON THE SKIES — President Suharto of Indonesia, left, with military officers viewing a fly-over by fighter jets at a ceremony Wednesday in Jakarta.

Plugging Away at North Korea

Despite Nuclear Talks Deadlock, U.S. Sticks to Hard Line

By R. Jeffrey Smith
and Ann Devroy
Washington Post Service

WASHINGTON — The Clinton administration has decided not to shift course in dealing with North Korea, even though discussions in Geneva on that country's nuclear program reached an apparent stalemate last week, U.S. officials said.

Senior U.S. policymakers decided that Ambassador-at-Large Robert Gallucci would return to the negotiating table in Geneva on Wednesday with no major new instructions, the officials said.

The policymakers' decision reflected what several officials described as a consensus view that the administration should continue to insist that North Korea freeze and eventually terminate all its nuclear efforts in exchange for the same package of economic and political rewards that Mr. Gallucci has already offered to his North Korean counterpart, Deputy Foreign Minister Kang Sok Ju.

Mr. Gallucci had flown to Washington from Geneva on Friday, after a week of generally unproductive talks with Mr. Kang, for consultations on whether the administration should display any new flexibility. But the officials said Tuesday that although North Korea had rejected key portions of the U.S. offer, Mr. Gallucci would continue to pursue it on an assumption that North Korea would eventually give way.

They also noted that a stalemate would not

harm U.S. interests so long as North Korea continued to abide by its June pledge to freeze its production of plutonium, a key ingredient of nuclear arms, and its operation of an existing reactor.

The U.S. position is consistent with what senior South Korean and Chinese officials have recommended to Washington in recent days, the officials said. Foreign Minister Qian Qichen of China told Secretary of State Warren M. Christopher in Washington this week that North Korea's recent, hard-line stance in the negotiations was merely a tactic to persuade Washington to back down.

South Korean officials have advised the administration that the North Korean stance may reflect the temporary emergence of a military-backed faction in North Korea that is opposed to terminating the nuclear program. But the significance of this development will remain unclear until after a new North Korean leader is named, possibly in mid-October, and no new U.S. moves should be made before then, the South Korean officials said.

Kim Jong Il, the son of North Korea's former president, Kim Il Sung, is expected to be named to the post at the end of a 100-day mourning period for his father, who died July 8.

A source familiar with the administration's deliberations said the United States also sought to avoid a new confrontation with North Korea with U.S. forces engaged in Haiti and midterm elections only weeks away.

Japan Wonders What Stopped the Big Tidal Wave

The Associated Press

TOKYO — Residents of Russia's Kuril Islands fled to higher ground on Wednesday fearing aftershocks of Tuesday's massive earthquake, as scientists tried to determine why the initial tremor caused relatively little damage in Japan.

Seismologists said that some quirk of underwater geography apparently shielded Japan from what could have been a devastating jolt and catastrophic tidal waves, or tsunamis, from the quake, which registered 8.2 on the Richter scale. A quake of magnitude 8 is capable of tremendous damage.

"Considering the magnitude, it's strange that a much larger tsunami didn't hit Japan," said Yoshihiro Ohara of the Central Meteorological Agency in Tokyo.

The quake caused the most damage in

the Kurils, a remote chain of islands that was occupied by the Soviet Union after World War II. Ten people were killed in the Kurils, which was hit by waves as high as 9 feet (3 meters).

The tremor, the strongest to hit the area in 26 years, was centered 13 miles (21 kilometers) under the sea, about 100 miles off the northern Japanese island of Hokkaido and near the Kurils.

No fatalities were reported in Japan as a direct result of the quake, but an air force jet went down while surveying the east coast of Hokkaido. The wreckage was spotted Wednesday and the body of one of two pilots was found.

The police in Japan said 228 people were injured, all but one in Hokkaido and none seriously. Roads were split by fissures, and flooding from burst water mains damaged about 300 homes and

buildings, most in Miyagi, halfway between Tokyo and Hokkaido.

Dozens of aftershocks measuring up to a magnitude of 5.5 rattled the region Wednesday morning, but no new damage or injuries were reported.

A reporter on Sakhalin Island in the Kurils said many people had evacuated coastal areas, fearing more waves.

"They are in the hills with no food, no water or personal belongings," said the reporter, Yevgeni Kulikov.

In coastal areas of Japan, tsunamis often cause far more fatalities than the actual tremor. Most of the nearly 200 deaths in a July 1993 quake in northern Japan were attributed to 100-foot tsunamis.

By early Wednesday, about 40 small tsunami waves had been observed in Japan. Most were less than 3 feet high,

although one was 6 feet. There were no reports of any damage.

The Pacific Tsunami Warning Center in Hawaii issued a tidal wave warning for all Pacific islands and coastal areas, including the west coast of the United States and Canada.

Hawaii closed its public schools and beaches early Tuesday and ordered residents of coastal areas to evacuate. But the waves reached only 18 inches and the tsunami warning was lifted throughout the Pacific about six hours later.

A one-foot tsunami was spotted Tuesday afternoon in the western Aleutians, about 1,000 miles east of Hokkaido, said Paul Whitmore, a geophysicist at the Alaska Tsunami Warning Center.

Tsunamis are generally not considered threatening to coastal areas until they reach 3 feet, Mr. Whitmore said.

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BOOKS

THE MARRIED MAN:
A Life of D. H. Lawrence
By Brenda Maddox. 652 pages.
£20. Sinclair-Stevenson.

Reviewed by
Katherine Knorr

IT'S A measure of the difficult task Brenda Maddox took on with this biography of D. H. Lawrence that she has to defend herself in the preface against objections that could be paraphrased as Why now and Why him? After all, masses of words have been written about Lawrence and his famously dirty books, his reputation as a writer is not rock solid, and both he and his wife, Frieda, are difficult to like.

In "The Married Man," Maddox, whose biography "Nora" profiled the wife of James Joyce, draws Lawrence's short and turbulent life through his relationship with the most important women in that life, his mother and his wife.

Maddox seeks not only to shed new light on Lawrence's psychological (and sexual) makeup but also to improve his image, to portray him as a more likable, joyous character than he usually seems. She

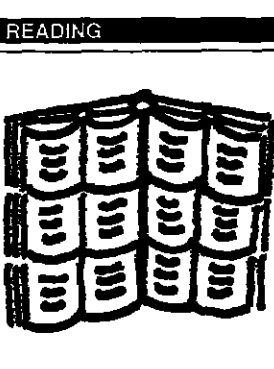
finds that he exaggerated his poverty in later life, when his writing was bringing in quite a bit of money. To all this she brings a sharp analysis of new material such as letters and memoirs, as well as her own close reading and painstaking research.

Lawrence, as is well known, was a miner's son, whose mother was bitter at her failed marriage. David Herbert, or Bert, was sick from birth but intellectually bright, a talented artist and a voracious reader. Although he went to college, he did not get a degree but a teaching certificate and afterward taught at the Davidson Road school in Erydon, homesick and racked by sexual longing.

At the home of a former professor, Ernest Weekley, he met his fate in Frieda von Richthofen, Weekley's wife and the mother of his three children. Frieda was one of three sisters who were, according to one of their husbands, totally immoral. Maddox believes that Frieda seduced Lawrence within 20 minutes of their meeting, which seems a bit of a stretch, but is certainly metaphorically true.

The Lawrences lived on the road. In Italy, Germany, France, Australia, Mexico and, famously, for a time in New Mexico, invited by Mabel Dodge, who eventually gave Frieda (or at least traded for a Lawrence manuscript) the ranch later named Kiowa. Lawrence pursued his occasional dream of setting up a utopian community called Rannan, something that was unlikely ever to work out given how little he was able to get along with people. He had a wild and unpredictable temper, and was also cold and manipulative, turning suddenly against people he'd previously courted.

His relationship with Frieda was famously tumultuous, and included beating her, although she was a willing player in the



game (and seems to have thought ahead to the joys of being the widow Lawrence).

Maddox believes that Lawrence has to be understood not as the prophet of sexual liberation but as a married man, as a man who always wanted to be married, as a man who bitterly regretted the fact that he did not have children, as a man who hated women but also understood them, as a man whose sex life was quite limited. His life was frenzied, a race against death, against the killer he always denied, the word he never used, tuberculosis.

A lot of Lawrence's work draws heavily on his life, and he himself theorized constantly in his books and in his compelling and unpredictable conversation on the insoluble problems between men and women. He was frightened of women, psychologically and sexually, and sexually ambiguous about men.

Maddox's book is engrossing, intelligent, almost always on target, and it does reveal a lighter side of Lawrence. There is, however, a danger in probing the writer's life, not to mention sex life, too much. Maddox's theorizing about Lawrence's predilection for certain sexual practices sometimes seems to dominate the book without truly adding something important about the artist and his art.

At some point, Lawrence's sexual problems are as uninteresting as the overwrought verbiage that sometimes substitutes for philosophy in his books. If Lawrence is a brilliant writer at times, with extraordinary evocative powers, he is also turgid and long-winded and sometimes asinine. As he was in life.

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BRIDGE

By Alan Truscott

IN the diagrammed deal East's take-out double of one spade was peculiar, but there are no rules for bidding extremely freakish hands. Anything that lets the bidder eventually become the declarer can be judged a success.

South's bid of two hearts appears natural, but was in fact an artificial raise in spades in the methods of the partnership. She eventually carried on to seven hearts over seven clubs following an old principle: when in doubt in a highly competitive auction, bid one more for luck.

In seven hearts doubled, the opening lead was crucial. After a routine club lead, South would have ruffed in dummy, drawn trumps and established spades. There would then have been two spade winners in the dummy to take care of the declarer's losing diamonds.

It is obvious looking at the diagram that a diamond lead would have given the defense the first two tricks, but that was not so obvious to West. She was sure that East was void in spades and it did not occur to him that East was also void in hearts — an abnormal holding

in that suit for a player who has doubled one spade originally. Perhaps, thought West, the final double was Lightner, asking for an unusual lead.

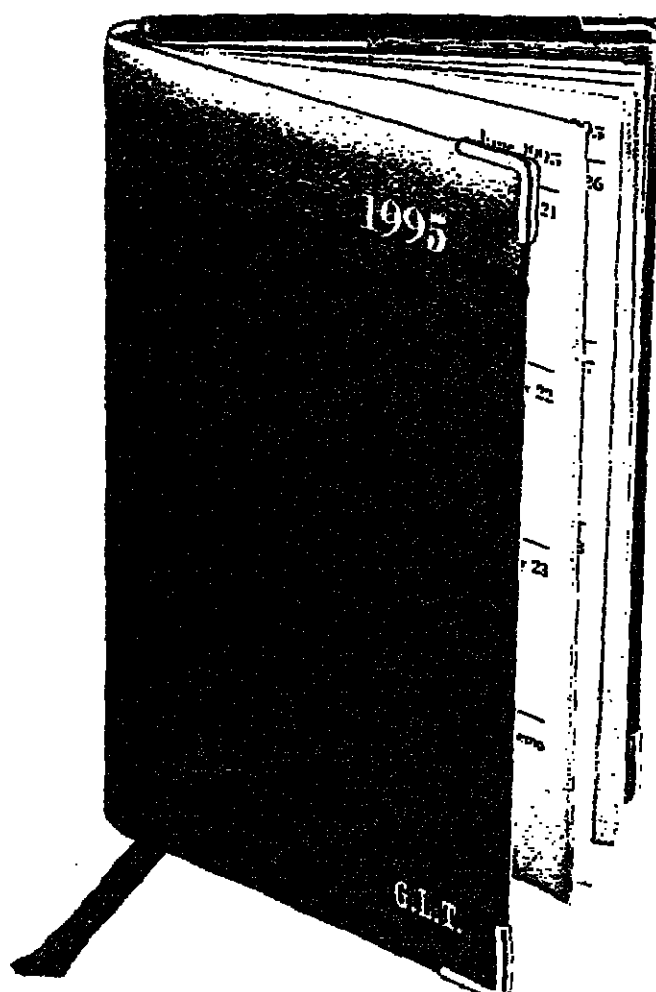
So, West led a spade, expecting a ruff, and South gratefully took all 13 tricks for a score of 2,470. Notice that the happenstance of South's artificial two-heart bid had played an important role: East on lead would surely have chosen a diamond.

NORTH
♠ A 8 7 6 2
♥ A J 8 6
♦ 10 9
♣ —
WEST (D)
♠ J 10 5 4
♥ 7 5
♦ Q J 6
♣ 5 4 3 2
EAST
♠ —
♥ —
♦ A K 8 7 5 4
♣ A K Q J 10 9 8 7
SOUTH
♠ K Q 3
♥ Q J 10 9 4 3 2
♦ 3 2
♣ 8 7

Both sides were vulnerable. The bidding:
West: 1♠, 2♥, 3♠, 4♠, 5♥, 6♥, 7♥, 8♥, 9♥, 10♥, 11♥, 12♥, 13♥, 14♥, 15♥, 16♥, 17♥, 18♥, 19♥, 20♥, 21♥, 22♥, 23♥, 24♥, 25♥, 26♥, 27♥, 28♥, 29♥, 30♥, 31♥, 32♥, 33♥, 34♥, 35♥, 36♥, 37♥, 38♥, 39♥, 40♥, 41♥, 42♥, 43♥, 44♥, 45♥, 46♥, 47♥, 48♥, 49♥, 50♥, 51♥, 52♥, 53♥, 54♥, 55♥, 56♥, 57♥, 58♥, 59♥, 60♥, 61♥, 62♥, 63♥, 64♥, 65♥, 66♥, 67♥, 68♥, 69♥, 70♥, 71♥, 72♥, 73♥, 74♥, 75♥, 76♥, 77♥, 78♥, 79♥, 80♥, 81♥, 82♥, 83♥, 84♥, 85♥, 86♥, 87♥, 88♥, 89♥, 90♥, 91♥, 92♥, 93♥, 94♥, 95♥, 96♥, 97♥, 98♥, 99♥, 100♥.
East: 1♠, 2♥, 3♠, 4♠, 5♥, 6♥, 7♥, 8♥, 9♥, 10♥, 11♥, 12♥, 13♥, 14♥, 15♥, 16♥, 17♥, 18♥, 19♥, 20♥, 21♥, 22♥, 23♥, 24♥, 25♥, 26♥, 27♥, 28♥, 29♥, 30♥, 31♥, 32♥, 33♥, 34♥, 35♥, 36♥, 37♥, 38♥, 39♥, 40♥, 41♥, 42♥, 43♥, 44♥, 45♥, 46♥, 47♥, 48♥, 49♥, 50♥, 51♥, 52♥, 53♥, 54♥, 55♥, 56♥, 57♥, 58♥, 59♥, 60♥, 61♥, 62♥, 63♥, 64♥, 65♥, 66♥, 67♥, 68♥, 69♥, 70♥, 71♥, 72♥, 73♥, 74♥, 75♥, 76♥, 77♥, 78♥, 79♥, 80♥, 81♥, 82♥, 83♥, 84♥, 85♥, 86♥, 87♥, 88♥, 89♥, 90♥, 91♥, 92♥, 93♥, 94♥, 95♥, 96♥, 97♥, 98♥, 99♥, 100♥.

West led the spade four.

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EUROPEAN TOPICS

France Fights a New Americanism As It Copes With a Rise in Obesity

Stories, sometimes a bit condescending, about obesity in the United States seem to be a staple feature in the French press. But it may be time for the French to consider their own backyard.

Studies around Lyon and Nancy show a big rise in the numbers of overweight children. The rate rose by 17 percent from 1980 to 1990, and extreme obesity shot up by 28 percent.

What's happening? French researchers blame the same factors that have led to a doubling of obesity among young Americans in the past 10 years: the arrival of fattening junk food, a move away from eating regular, hot meals at fixed times, and an increasingly sedentary lifestyle.

There may be one small silver lining. If the young French are more sedentary, the blame cannot be fixed entirely on MTV and video games. Another study has found that 82 percent of French children aged 7 to 11 read at least one book a month — well above the 57 percent of their parents who do so.

Around Europe

Two German magazines aimed at the jobless, Job Aktuell and Pro Job, appeared in March amid much local publicity. Each hoped for a readership of 300,000 or more from among the country's 3.5 million unemployed. Unfortunately for the jobless market, German unemployment is now at a 10-month low. Both magazines have folded, and their journalists have become job-seekers.

The train brakes suddenly, there is a moment of confusion, then a voice comes on the loud-speaker to announce a disruption in traffic because of a "serious incident involving a passenger." It is happening much more often than in the past, reports Le Figaro of Paris. In the 1970s, about 50 people a year tried to take their lives by jumping in front of trains or Métros in the Paris area. This year, 124 people have done so, and 70 of them died.

The victims tend to be young and often poor, according to Dr. Pierre Bailly, who studied the matter for the group SOS Amitié. Premeditated suicides happen very rarely in public places, he added, so he believes that most of those who leap are acting on impulse.

The Métro authority has tried to fight the problem, installing anti-suicide pits under the tracks on two lines, so that people might fall under trains. It also plans a system of automatic doors on the future Métro line to keep people away from the tracks until the train is in the station.

Britain's advertising watchdog has condemned the state rail network for an advertisement that showed 12 yellow condoms arranged in a circle like the European Union flag.

The Advertising Standards Authority said British Rail denigrated the EU flag and was "grossly irresponsible in its encouragement of promiscuity."

The advertisement, designed to boost sales of European Rail passes for young people, was headed: "Inter-rail. You've got the rest of your life to be good."

A British Rail spokesman defended the advertisement, saying research showed a significant number of 18- to 25-year-olds had sex on vacation without condoms.

Brian Knowlton

As Sanctions Are Eased, U.S. Still Doubts Yugoslavia

By Barbara Crossette

New York Times Staff

UNITED NATIONS, New York — Despite the suspension of some sanctions against Yugoslavia on Wednesday, the Clinton administration is continuing to study reports that military supplies are still crossing the Serbian border into Bosnia, a U.S. official said.

But the administration has not yet decided whether to turn over its information to the United Nations, the official said, asserting that it is reluctant to divulge information on intelligence methods and sources.

Last week, Defense Secretary William

J. Perry said at a meeting of defense ministers of the North Atlantic Treaty Organization that the Bosnian Serbs appeared to be getting some weapons or other equipment from Serbia, whose president, Slobodan Milosevic, pledged in September to cut off such border trade.

His comments came after the chief U.S. delegate to the United Nations, Madeleine K. Albright, had voted for the lifting of some of the sanctions if Secretary-General Boutros Boutros Ghali certified that Mr. Milosevic was making good on his pledge. Mr. Boutros Ghali sent the Security Council a report from

an international monitoring team this week saying that Serbia, which dominates what is left of the Yugoslav federation, had honored the pledge.

The relaxing of sanctions under Resolution 943 of Sept. 23 allows the reopening of the Belgrade airport and the seaport of Bar in Montenegro. Yugoslavia will also be permitted to return to international cultural and sports events.

■ **Yugoslavia Jubilant**

Yugoslavia was celebrating the easing of the sanctions, imposed 28 months ago for triggering the war in Bosnia, news agencies reported Wednesday from Belgrade.

"The Blockade Has Fallen," the newspaper Vescernje Novosti proclaimed in bold letters across its front page.

In the first official reaction, a Yugoslav Foreign Ministry official, Branko Brankovic, called UN action "a modest but important first step in lifting all sanctions."

He said that the embargo should be lifted totally because it only encouraged people who wanted to continue the war in Bosnia.

The Bosnian Serbs, meanwhile, reneged on a promise to allow free movement of convoys. (AP, Reuters)

British Publishers Set to Dish More Dirt on Diana

Compiled by Our Staff From Despatches

LONDON — Fresh trouble appeared on the horizon for Diana, Princess of Wales, on Wednesday with reports that more private-life revelations would follow the allegations this week that she had had a long affair with a cavalry officer.

At least two books about the life of the princess and her estranged husband, Prince Charles, are due out next month, ensuring that the couple's bitter feud will stay in the headlines.

The Daily Express said one of the books, by the author Andrew Morton, would name a married man as "now the central figure in her life," someone she turned to for "comfort and support" as rumors spread of her ties to James Hewitt, a former captain in the Life Guards.

But Mr. Morton's publishers said his book had nothing to do with the "various scandalous allegations" made about the Princess of Wales in the Express.

Buckingham Palace said the new story — which did not say that the two had had an affair — was pure speculation.

Yet, another volume featuring the turbulent marriage of the Prince and Princess of Wales, this time by a respected journalist, Jonathan Dimbleby, was thought to be due for publication within weeks.

Opinion polls showed Wednesday that the public still supported Diana despite the allegations in the gushing purple prose of "Princess in Love" that she had secretly made love to Mr. Hewitt from 1986 until they drifted apart five years later.

The book by Anna Pasternak, whose great-uncle Boris wrote the Russian classic "Doctor Zhivago," has sold 100,000 copies in three days, but the author and Mr. Hewitt, 36, are now in hiding.

Mr. Hewitt, who lost his job in army cutbacks, has been blackballed by former fellow officers as a cad and a bouncer.

Miss Pasternak says Mr. Hewitt will not make a penny, but he has just bought a country mansion, and tabloid newspapers predicted he would earn up to \$5 million from the tales of passionate love sessions at the princess's London home and country estate.

British newspapers said a Hollywood film company was already planning a film of Diana's life starring Michelle Pfeiffer.

The book, dismissed by the palace as grubby and worthless, is the latest embarrassment for the royal family, following several years of marriage breakdowns, topless photos and tales of lavish expenditure with taxpayers footing the bill.

A poll by the Daily Mirror offered a dire warning to the House of Windsor, which for many has been turned into a glorified soap opera for enriching tabloids and paparazzi photographers.

Nearly three out of four people who were asked thought the monarchy should be scrapped in Britain after the death of Queen Elizabeth II.

Even staunch monarchists, seeing that something must be done to salvage the monarchy's reputation, have begun this week to call for Charles and Diana to divorce quickly, or for Charles to renounce his claim to the throne in favor of his 12-year-old son, William.

In the poll, only 27 percent of readers blamed the 33-year-old princess for the alleged affair. Her popularity also seems not to have been harmed by allegations that she harassed a male friend with pest phone calls. (Reuters, AFP)

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Is AddictiveBy John Schwartz
Washington Post Service

WASHINGTON — In findings that will shock no one who gropes for the coffee pot first thing in the morning, an article published in Wednesday's issue of the *Journal of the American Medical Association* reports that "caffeine exhibits the features of a typical psychoactive substance of dependence."

The authors of the report, Roland R. Griffiths and colleagues of the Johns Hopkins School of Medicine, have even given this fact a name: "caffeine dependence syndrome."

That caffeine can create a physiological dependence has been known for some time. For regular caffeine users — and that includes 80 percent of adult Americans — even a day without caffeine can lead to headache, lethargy and depression, as the same group of researchers found in an earlier study. But the new research puts those physical symptoms in the broader context of the diagnostic framework used by the American Psychiatric Association's *Diagnostic and Statistical Manual of Mental Disorders, Fourth Edition (DSM-IV)*, which sets criteria for diagnosing substance dependence.

Along with physical withdrawal symptoms, the researchers used three other criteria for dependence under the DSM-IV guidelines, including persistent desire, dose tolerance, and unsuccessful efforts to control use — in some cases, despite recurrent physical problems that might be made worse by caffeine use.

Of the 27 people in the study (all of whom identified themselves as being dependent on caffeine), 94 percent experienced withdrawal when taken off caffeine, and the same percentage continued to use the substance despite physical or psychological problems that they associated with the use of the drug. Eighty-one percent had been unsuccessful in efforts to cut down. The researchers found that 16 of the volunteers fulfilled all four of the DSM-IV criteria for a diagnosis of substance dependence.

Dr. Griffiths, a behavioral pharmacologist and one of the authors of the JAMA study, said his work in no way constitutes an attack on coffee or other caffeine-containing beverages. "This paper doesn't say that you should stop caffeine," he said. "It doesn't appear to be causing you problems," he said. The researchers suggested further study to establish the prevalence of the condition, and concluded that "further characterization of the dependence syndrome of the most widely used psychoactive drug in the world may also serve as a useful model for understanding the dependence syndromes of other drugs."

THE Food and Drug Administration is considering regulating tobacco products based on the addictive nature of nicotine. Opponents of regulation have often tried to show parallels between tobacco and other widely used substances, such as caffeine.

FDA officials and medical experts have objected to the comparison, and continued to do so in light of the new study. Jack E. Henningfield, a scientist at the National Institute on Drug Abuse, called caffeine dependence "a benign drug addiction," and said he disagreed with the logic that says, "if you regulate nicotine you have to regulate caffeine — it's two different animals."

The FDA spokesman, Jim O'Hara, said that the agency's authority to regulate caffeine is well established. "The FDA has regulated caffeine as both a food and a drug for many years," Mr. O'Hara said. He added that the FDA has the power to restrict levels of caffeine that might be "ordinarily injurious to health," a line that even a double espresso does not cross.



In a Honduran cave, archaeologists have found remnants of an unidentified culture.

Pre-Columbian Palace of Dead

By John Noble Wilford
New York Times Service

CATACAMAS, Honduras — The narrow road into the Honduran rain forest was a mire of black mud, a grinding test for the hardest four-wheel-drive vehicles. After fording a wild river, everyone had to get out and hike up a steep slope crawling with fire ants and bounded by walls of vines hanging from tall trees.

This was the way to Cueva de Rio Talgua, the Cave of the River Talgua, a haunting place the explorers had taken to calling the Cave of the Glowing Skulls. It is the site of a new-found archaeological mystery.

A tongue of water rushed out of the cave's mouth. Following the stream, sometimes wading up their thighs, archaeologists plunged several hundred yards into the interior for their first scientific examination of a discovery made in April.

They ventured through side passages and up into chambers well above stream level. They finally passed through a small opening near the ceiling of one chamber and by the light of their headlamps, caught their first sight of an astonishing scene — a pre-Columbian palace for the dead.

Stalactites of calcium carbonate, calcite, dripped from the ceiling of a cavern more

than 100 feet (30 meters) long, 12 feet wide and up to 25 feet high. Timeless seepage of water through limestone had left deposits of calcite everywhere, seemingly frozen in midflow.

In the recesses of the cave, in every crevice and on every ledge, were piles of human skulls and bones, sparkling with coatings of tiny calcium crystals.

James E. Brady, an archaeologist at George Washington University and leader of the investigation, spoke with growing excitement.

"Look here, two, four, five, six skulls," he said. "Here's some red pigment, something often associated with burials as far back as the Neanderthals. Who knows how many more bones are beneath these, cemented in the calcite?"

After several visits to the cavern, Dr. Brady estimated that the visible remains represented from 100 to 200 individuals. Who were they, to what ancient culture did they belong? When did they live and die?

Dr. Brady, who specializes in Mayan cave archaeology, said the evidence so far ruled out any close relationship to the Maya, whose civilization dominated upper Central America and southern Mexico in the first millennium.

But the 20 undecorated ceramic bowls and two thin marble vases found with the bones could not be matched with the

styles of known non-Mayan cultures in what is now Honduras. Based largely on the ceramics, he said, the burials could have been as recent as A.D. 500 or as early as 300 B.C.

"It's frustrating," he sighed. "We have all this beautiful material and no way of immediately relating it to a certain time."

A pasture less than a mile from the cave entrance may hold answers. There, George Hasemann, director of archaeology at the Honduran Institute of Anthropology and History in Tegucigalpa, who accompanied Dr. Brady, identified more than 100 large rectangular mounds, presumably remains of an ancient settlement. Some pottery shards recovered there were

similar to those found in the cave, he said.

As the next step in trying to solve the mystery of the Talgua cave, Dr. Hasemann proposed a thorough reconnaissance of the mounds, beginning with some trenches. Such exploration, combined with the cave findings, could open a window on a previously unknown culture that lived in the shadow of the mighty Maya civilization.

What is known is that the area of central and northeast Honduras was a heavily populated region on the periphery of the Maya cultures. The people undoubtedly had some contact with the Maya, particularly with the great city of Copan in northwest Honduras.

World on Alert
For Suspected
Cases of PlagueBy Lawrence K. Altman
New York Times Service

NEW YORK — As international medical surveillance for plague intensifies, at least six countries have investigated suspected cases from India but none have been confirmed, health officials said.

A woman passing through customs at Kennedy International Airport on Monday after arriving from India was sent to Bellevue Hospital because she was coughing and had a fever of 100.8 degrees Fahrenheit (38.2 degrees Celsius), a federal health official said. Tests indicated she did not have plague.

Earlier, the bacterial infection was ruled out in two other airline passengers who arrived in New York and in Dallas in recent days, the official, Dr. Duane J. Gubler of the Centers for Disease Control and Prevention, in Atlanta, said.

Five other countries — Bangladesh, Canada, England, Germany and Pakistan — have investigated suspected cases among travelers who became ill within a week of leaving India, where an epidemic of the pneumonic form of the disease has struck in recent weeks.

Although the World Health Organization has not advised against travel to India, the UN agency is about to add New Delhi to its list of plague-infected areas because Indian officials have reported four secondary cases there. New Delhi will remain on the list for two weeks

after the last case is reported there, Dr. Lindsey Martinez, a WHO official said.

India has reported 4,780 suspected cases of plague, including 51 deaths, to WHO.

Airlines in several countries have suspended flights to and from India and some countries have banned cargo from India. But there were signs that several countries were about to ease the stiff controls soon as Indian health officials said the tide was turning against the disease.

Health officials are deliberately spreading a wide net to include many cases that may not be plague in order not to miss any that are.

On Tuesday, for example, Dr. Gubler said that laboratory tests confirmed that a 12-year-old boy in Long Beach, California, had developed dengue fever, not plague, 10 days after his return from India.

PNEUMONIC plague symptoms usually develop within one to six days after exposure to the plague bacillus. As symptoms begin to develop, an infected individual can pass the plague-causing bacterium, *Yersinia pestis*, to others through droplets in the air from coughs or sneezes.

Plague should be suspected in anyone who has traveled to a plague-infected area and within a week developed these symptoms: acute progressive respiratory illness with fever and cough, with or without bloody sputum, or a fever and tender, swollen lymph nodes, health officials said.

Versace: Rare Understatement

By Suzy Menkes
International Herald Tribune

MILAN — At last, a nice navy take-you-anywhere suit with a fitted jacket and simple knee-length skirt from Gianni Versace. Versace? Versace! The emperor of over-the-top fashion drew back from the brash trash of his recent collections. Sure the models in his spring-summer show looked sexy. Why, some of them did not even have time to get underpants on, before stepping out in goddess gowns that were draped here and slashed there, revealing a length of leg from waist to ankle.

But with their heavenly bodies, the models seemed like sirens, not streetwalkers. Other Milanese designers who have followed in the wake of the shiny sexpot clothes of last

MILAN FASHION

season's Versace now look rather silly. Not to mention Elton John, head-to-toe in scarlet vinyl in the front row with Sylvester Stallone and David Copperfield.

Versace gave a lively, witty, well-paced show, in which for every buttock-skimming Grecian tunic (underpants attached) there was a relatively sensible outfit: a fitted suit, with corset hooks tracing the seams or a simple dress in sweet-pea pastels. Some were patterned with meadow flowers or butterflies. And the same summery prints on terry cloth robes, swimsuits and Miami-style towel-turbans enhanced the impression that Versace's urban molls were taking a breath of clean air.

"I tried to be young and fresh," said Versace, taking compliments backstage among the bevy of supermodels who drew crowds of groupies outside the Milan palazzo. The designer said that the draped dresses were "a memory of my childhood," referring to his dressmaker mother. They also had a glancing reference to the antique classical statues that fill his home.

But the Grecian gowns and the tautly fitted suits seemed more a throwback to vintage Hollywood designers like Adrian who dressed Silver Screen stars in a glamorous fashion. Today's supermodels are the equivalent of the cinema starlets and on them fashion's current glam style was given cut and thrust by Versace's scissored handkerchief-point hemlines and molded corset bodices. In slender dresses with fishtails of fabric flapping from a fitted torso, the statuesque Linda Evangelista and the sensuous Claudia Schiffer looked like bionic mermaids.

Versace gave the elaborate evening gowns a modern allure by using stretch fabrics and building the dresses without any understructure (or indeed underwear). It made a fine show, although heaven knows who but a supermodel could wear silk jersey slipping and slithering across the naked curves, or walk in strappy siletto sandals with a dress gripping thighs and knees. A great body was, as ever, Versace's main agenda.

"I saw the two shows," said Schiffer's fiancé, Copperfield. "One show I looked at the bodies, and the next one at the clothes."

THE return of the fresh flower print, inspired by Falconetto designs for Ken Scott in the early 1960s, may turn out to be the most important trend in Milan. Blooms sprouting from pots, slices of citrus fruit and flower-and-butterfly prints started at Gucci's show Wednesday. So did the shoes, as models staggered in high-heeled thong-between-toes mules or wore what must be the world's most expensive flip-flop sandals.



Versace's draped dress with butterfly print.

And the clothes? Everything you might expect to find on a current magazine spread: cropped sweaters, narrow pants, back-to-the-1950s slim or full-skirted dresses. And those knee-length hemlines, which designers and fashion editors keep pushing, although they still seem irredeemably retrograde. Designer Tom Ford's look, although well-done, looked back, what with Gucci's shiny patent bucket bags, Doris Day purses and a vague feeling of Capri and Grace Kelly.

It was similar at Ferragamo, where the American designer Steven Slowik sent out pretty, ladylike clothes, from curvy dresses with short jackets to simple tailoring in bright colors or quiet checks. There was more of Capri revisited in crepe blouses and narrow pants in peach and apricot sorbet shades. But Slowik made a good job of reinforcing Ferragamo's image of class and luxury by using beige suede with ecru linen and gilded leather with navy tailoring. He even made Milan's favorite disco theme seem upscale and credible by cutting metallic fabrics on clean lines. And the dainty shoes, as befits Ferragamo, were glamorous without being ridiculous.

Microbial Life Deep in the Planet

By William J. Broad
New York Times Service

NEW YORK — Fiction writers have fantasized about it. Prominent scientists have theorized about it. Experimentalists have delved into it. Skeptics have ridiculed it. But for decades, nobody has had substantial evidence one way or another on the question of whether the depths of the rocky earth harbor anything that could be considered part of the spectacle of life — until now.

Two teams of scientists, drilling deep beneath land and sea, have independently come up with tantalizing clues that swarms of microbial life thrive deep within the planet, the evidence in one case coming from a depth of nearly two miles.

Like a lost world, these communities of microbes have been cut off from the all other life on the planet for millions of years, in some cases since the age of dinosaurs or earlier.

"We're finding lots of organisms down there," said Dr. David R. Boone, an environmental microbiologist at the Oregon Graduate Institute in Portland.

The microbes brought to the surface are sometimes unique, including the first bacillus ever discovered that is a strict anaerobe, meaning it can live and grow only where there is no oxygen. Its proposed name is *Bacillus infernus*, bacillus from hell.

The findings are seen as lending support to the theory, once disparaged but rapidly gaining credibility, that the earth has a hidden biosphere of ancient life extending down many miles, whose total mass may rival or exceed that of all surface life.

"It's a very hot topic," Dr. Henry L. Ehrlich, a biologist at the Rensselaer Polytechnic Institute and editor of *The Geomicrobiology Journal*, said in an interview.

"The fact that organisms can be found at this extreme depth is a surprise. From the study of soils, it had generally been assumed that below very shallow depths, microbes weren't likely to be found. The thinking now is that these organisms aren't just resting there in a state of suspended animation but, when the right conditions prevail, they metabolize and grow."

Dr. John A. Baross, a biologist at the University of Washington in Seattle who was an early supporter of the deep-bio-

One bacillus thrives only where there is no oxygen. Its proposed name is the Bacillus infernus.

sphere idea, said: "So far all the evidence supports it. The implications are that it's an extensive environment."

The repercussions of the discoveries are not just academic.

One of the drilling programs, run by the U.S. Department of Energy, has isolated more than 5,000 microbes from the deep earth and is making them available to scientists in government and industry.

"There's a lot of interest," said Dr. Frank J. Wobber, head of the subsurface science program at the Energy Department in Washington.

Thriving under high heats and pressures, the microbes are seen as harboring a treasure trove of rare genes and biochemical processes that may yield innovative medical and biochemical tools. Some of the microbes are already being scanned for antibiotics and agents that might help fight diseases like cancer and AIDS.

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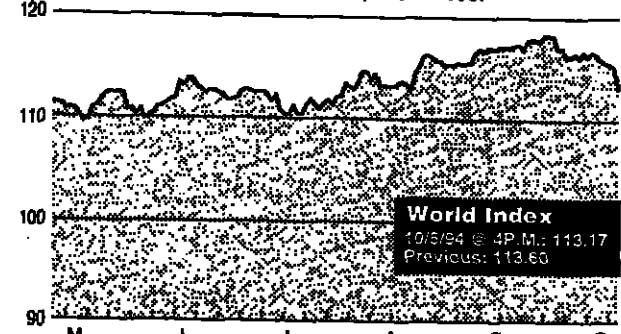
BUSINESS

International Herald Tribune, Thursday, October 6, 1994

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THE TRIB INDEX: 113.17
International Herald Tribune World Stock Index ©, composed of 280 internationally investable stocks from 25 countries, compiled by Bloomberg Business News, Jan. 1, 1992 = 100.



World Index
10/5/94 @ 4P M.: 113.17
Previous: 113.60

Asia/Pacific
Approx. weighting: 32%
64P.M.: 128.08 Prev.: 127.11

Europe
Approx. weighting: 37%
64P.M.: 111.26 Prev.: 110.58

North America
Approx. weighting: 26%
64P.M.: 93.96 Prev.: 93.81

Latin America
Approx. weighting: 5%
64P.M.: 144.47 Prev.: 146.08

World Index
The index tracks U.S. dollar values of stocks in Tokyo, New York, London, and
Argentina, Australia, Austria, Belgium, Brazil, Canada, Chile, Denmark, Finland,
France, Germany, Hong Kong, Italy, Mexico, Netherlands, New Zealand, Norway,
Singapore, Spain, Sweden, Switzerland and Venezuela. For Tokyo, New York and
London, the index is composed of the 20 top issues in terms of market capitalization,
otherwise the ten top stocks are tracked.

Industrial Sectors							
	Wed. close	Prev. close	% change		Wed. close	Prev. close	% change
Energy	110.76	111.78	-0.91	Capital Goods	112.64	113.26	-0.55
Utilities	126.80	128.24	-1.12	Raw Materials	132.37	133.35	-0.73
Finance	114.01	113.57	+0.38	Consumer Goods	101.73	102.17	-0.43
Services	117.34	118.04	-0.59	Miscellaneous	121.84	123.71	-1.51

For more information about the index, a booklet is available free of charge.
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Columbia Acquires Hospitals

\$5.4 Billion Pact For HealthTrust

Compiled by Our Staff From Dispatches

LOUISVILLE, Kentucky — Columbia/HCA HealthCare Corp., the largest U.S. hospital company, said Wednesday it would acquire HealthTrust Inc. The \$5.4 billion transaction carries further the trend of consolidation in the U.S. health-care industry.

Columbia said the combined companies would have about \$15 billion in annual revenue. After the merger, Columbia would own and operate 311 hospitals with about 60,000 beds and 125 outpatient centers in 37 states and two other countries. The company would have 172,000 employees.

The buyout portends a rise in value for rural hospitals in the United States, analysts said.

HealthTrust has 115 hospitals, mainly in rural areas in the South and West.

"It's the smartest move that's been made to date in the creation of Columbia," said Michael M. McConney, an analyst with Ray Dicks Research in New York.

Columbia has bought three big health-care providers in stock deals recently. Last month it acquired Medical Care America Inc., one of the biggest U.S. operators of outpatient centers, for about \$1.1 billion in stock. Eight months ago, it bought HCA Hospital Corp. for \$7.6 billion, a year after it had bought Galen Health Care Inc. for \$3.5 billion.

Columbia will swap 0.88 of a share of its stock for each HealthTrust share and assume about \$1.8 billion in HealthTrust debt. That would value HealthTrust stock at \$37.62, on the basis of Columbia's \$42.75 share price at Tuesday's close.

Columbia's share fell \$2 Wednesday, to \$40.75, while HealthTrust rose \$2.25 to \$34.25. (NYT, Bloomberg, AP)

Knowledge at a Price

Reed Has Mead Data, Ziff Deal in Doubt

Compiled by Our Staff From Dispatches

AMSTERDAM — Reed Elsevier PLC has achieved its goal of buying the Lexis and Nexis information services, but some analysts said Wednesday that the British-Dutch media conglomerate had paid too high a price.

Reed is buying Mead Data Central for \$1.5 billion, which is about 15 times the company's operating income. Analysts said that \$1 billion was the expected price for the unit, and it appeared that Reed would at least curtail its pursuit of a second American media company, Ziff Communications Co.

In August, Reed Elsevier said it had approached both companies about possible takeovers, part of its plan to focus on the American business publishing industry. Ziff Communications had been put up for sale by the Ziff family, and Mead Corp. decided to sell its electronic-information unit so it could focus on forest products.

Mead Data includes the Lexis legal-information data base, Nexis news-data base and the Edgar on-line distribution of Securities and Exchange Commission documents. Mead's database comprises nearly 500 million documents, including more than a decade of the contents of The New York Times, plus 4,000 other news, legal and financial publications.

Coupled with its existing publications, the acquisition automatically makes Reed Elsevier one of the largest publishers of legal information in the world.

On Wednesday, Reed said it was unlikely to buy all of Ziff, although it was still interested in parts of the magazine publisher. "You would be wrong to reach the conclusion that we had no further interest in it," said Nigel Stapleton, chief financial officer of Elsevier NV, which along with Reed International PLC owns Reed Elsevier.

Earlier, Erik Ekker, the Elsevier company secretary, said the company was "unlikely to proceed" with the proposed acquisition of Ziff. "It's a bit too much to do two of these," he said. But a British stock analyst said: "Ziff is a large lump to swallow for one buyer, and the price is probably too steep. They may have no choice except to break it up. I think Reed would be interested in parts of it."

Yet while Reed Elsevier was not expected to have trouble financing the Mead Data purchase, its debt ratings have come under pressure. Standard & Poor's Corp. and Moody's Investors Service Inc., the two leading credit-rating agencies, had downgraded Reed Elsevier on review for possible downgrades.

The takeover price was disappointing; it was too high," said Michael Molenaar, an analyst at Robeco Effectenbank.

Mr. Stapleton said the deal would be financed with \$500 million in cash and \$1 billion in borrowed funds. The acquisition comes just before shares of Reed Elsevier are to be listed on the New York Stock Exchange on Thursday.

One of Mead's unique assets is the exclusive right to much of the electronic archival content of The New York Times. Mr. Stapleton said discussions with the newspaper about continuing that relationship would start immediately.

"Reed Elsevier has no competitive relationship with The New York Times," he said, "and we very much hope we can continue on in the same terms as Mead has enjoyed in the past."

An analyst at Henderson Crosthwaite Institutional Brokers said there had been talk that some contributors to the Lexis and Nexis networks could withdraw their information because the system was changing hands.

(AFX, NYT, Bloomberg, Reuters)

U.S. Chip Group Losing Subsidies

By Elizabeth Corcoran
Washington Post Service

WASHINGTON — The U.S. electronic chip industry was due to announce Wednesday that its 7-year-old research consortium, Sematech, will relinquish its annual federal allotment of \$90 million by late 1996. The consortium will continue its work using corporate funds.

The Defense Department, which has provided the funding, is likely to redirect its \$90

million to technologies considered critical to the defense industry.

Most of the money may still support chip research, according to a senior defense official. But "there's no guarantee that the full \$90 million stays in research," he said, referring to research on chips.

Industry and government officials hailed Sematech's decision, saying it showed they could work together in times of stress and break off when the industry regains momentum.

Sematech was founded in 1987, when the U.S. chip industry was staggering in the face of competition from Japanese companies. The government and industry agreed to contribute \$100 million a year to bolster research on tools and techniques for making sophisticated memory chips and processors. That funding had been trimmed to \$90 million apiece two years ago.

In the past few years, U.S. chip makers have staged an impressive comeback in world markets. Sematech has claimed much of the credit. But companies have also improved the

quality and design of their products on their own, said industry analysts.

Sematech's board decided in July to cut the government funding and has since been finalizing the details. The consortium's 11 member companies have pledged to continue supporting its efforts.

Sematech intends to work closely with a still-to-be-named government advisory panel to help the government set long-term research priorities.

In addition, Sematech hopes to be a broker between government funding agencies and private companies. "We believe we will continue to be the forum for developing an industrywide consensus on future technology requirements," said Frank Squires, chief administrative officer at Sematech.

Sematech's chief executive officer William Spencer was expected to say that the company's supporters in Congress had urged it to come forward with a new model that ended direct federal funding and that the company had "answered that challenge."

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Germany Loses Quota Ruling in EU Banana Case

By Tom Buerkle
International Herald Tribune

BRUSSELS — Germany lost a legal bid Wednesday to overturn the European Union's quotas on banana imports. But far from resolving the bitterly contested issue, the ruling may turn it into an early test case for new global trade rules, officials said.

The decision also raised the possibility of a banana war between the United States and Europe, European and American officials said.

Chiquita Brands International has asked the U.S. Trade Representative's Office to open an investigation into aspects of the EU quota system.

"This is a test case," said Claudio Riedel Telge, ambassador to the European Union for Guatemala, which has fought the quotas since the Union imposed them in July 1993.

In its ruling, the European Court of Justice said EU import quotas on Latin American producers were justified to protect Europe's few producers as well as growers in more than a dozen African and Caribbean countries that have preferential trade relations with the Union.

Britain and France have been the staunchest supporters of these countries, many of which are their former colonies.

But the ruling was a big setback for Germany, which is by far Europe's biggest consumer.

Germany, which had no previous import restraints, has seen retail prices surge 60 percent, to about 3.30 Deutsche marks (\$2) a kilogram since the quotas began.

Germany traditionally has bought the bulk of its bananas from more competitive Latin American producers, the main growers affected by the quotas.

Mr. Riedel reiterated a threat made this year by five Latin American countries including Guatemala, Panama and Ecuador, the world's biggest banana grower, to attack the EU quotas in the World Trade Organization unless their access to the EU market is expanded.

The existing trade body, the General Agreement on Tariffs and Trade, has ruled twice that the quotas are illegal but has no power to enforce those rulings. The WTO, which will replace GATT next year, will be able to enforce rulings.

While German officials say they could not openly fight EU rules in a global forum such as the WTO, they say the threat of such action could help Bonn persuade its EU partners to set more generous quotas.

U.S. officials said they hoped the threat of trade retaliation, either unilaterally or through the WTO, would persuade the Union to overhaul its quota regime.

"I'm sure if nothing is resolved, it will go to the WTO," one U.S. official said.

Kazarian Tries Again To Acquire Borden

Compiled by Our Staff From Dispatches

COLUMBUS, Ohio — Paul Kazarian, chief of Japonica Partners & Co., said Wednesday he was preparing a detailed bid for a stake in Borden Inc., the beleaguered food and dairy giant, even though the company's board recommended that shareholders approve a takeover bid from Kohlberg, Kravis, Roberts & Co.

In a letter to Borden, Mr. Kazarian offered no details, but a spokesman said those would be contained in a proposal "in the next few weeks."

Borden had no official response. On Sept. 24, Borden said it had signed an agreement to sell itself for \$2 billion to Kohlberg, Kravis, which had brushed off last-minute overtures from Japonica Partners, which is headed by Mr. Kazarian.

Under KKR's offer, the stockholders would receive \$14.25 of shares in RJR Nabisco Holdings Corp. for every Borden share.

Previously, Mr. Kazarian said he wanted help from the board in picking from a variety of proposals that could give Borden shareholders \$16 to \$18 a share in exchange for as much as 90 percent of the company.

Borden has declined to help or to open its books until Mr. Kazarian signs a confidentiality agreement and provides a detailed proposal with evidence of financing.

"We recognize it's incumbent upon us to develop a proposal," said Mr. Kazarian's spokesman, Richard Nicolazzo. Japonica Partners said a description of the plan's financing would "follow the determination of a transaction structure."

(Bloomberg, AP, Knight-Ridder)

INTERNATIONAL MANAGER

Different Drummer Finds a New Beat

By Mike Zwerin
International Herald Tribune

ARIS — Two things Larry Rosen does not want to do any more at the age of 54 are to run a large corporation and to play the drums. Being "chairman emeritus" suits him just fine.

In 1990, Mr. Rosen sold Grusin Rosen Productions, the record company he founded with Dave Grusin, a pianist and arranger, to MCA Inc. for \$40 million. When Matsushita Electric Industrial Co. purchased MCA less than a year later, the value of the stock that they had reluctantly accepted in the deal had risen to \$60 million. Lucky coincidence?

Mr. Rosen's five-year contract as president expires at year-end. MCA asked him to renew it. He flashed the wide "winner's smile" he wears so well and quoted his own reply: "Thank you very much, but you guys made me a very wealthy man."

He will leave to explore multimedia publishing in the form of CD-ROM compact disks. His new two-year contract with MCA calls for him to find artists and consult with the new management.

Messrs. Grusin and Rosen met in the late 1950s while playing with the Newport Youth Band, made up of teen-agers from the New York area hired by the singer Andy Williams. They also played with Henry (The "Pink Panther" theme) Mancini. By the age of 22, Mr. Rosen was making a good living as a free-lance musician.

After marrying in 1966, he decided to get off the road. He built a two-track studio in his home in New Jersey. His musician friends came out often to record, and he learned to love sound engineering. Not yet 30, he was landing well-paid contracts to record jingles for radio and TV commercials.

Mr. Rosen signed his first record deal when he sold a demonstration record he had produced with an unknown young

singer to RCA. Wanting to "sweeten it up" with strings, he hired Mr. Grusin to write the arrangements and direct the session. They were soon putting packages together as Grusin Rosen Productions.

Dr. George Butler of Blue Note Records sent over a young guitarist named Earl Klugh for evaluation. The new production team decided to record him on



Larry Rosen

acoustic guitar, something that was not PC in the early '70s. All three Klugh albums sold very well indeed.

Mr. Rosen literally bumped into Clive Davis, the president of Arista Records, getting on an airplane (another coincidence). Mr. Davis suggested they join forces. What would become the independent GRP Records began by delivering fully engineered and mixed master tapes to Arista for manufacture, release, publicity and distribution. The GRP logo was on the package.

The jazz that was making them so successful was in fact closer to instrumental pop and commercial rock-fusion, with top-of-the-line people such as Lee Ritenauer, Spyro Gyra, the Yellowjackets and Chick Corea. Tom Browne's "Funkin' for Jamaica" sold 700,000 units, enormous even for commercial jazz.

In 1979, they heard about an engineer in Salt Lake City, Utah, who had rigged a computer to translate analog sound into numbers: digital sound. They flew him and his machine into New York and immediately recognized the result as "a giant step forward."

The technology was ahead of its time. Because no medium existed for digital sound, the music had to be transferred back to analog records at great cost to quality. The extra process cost \$7,500 an album, a price Arista refused to continue paying, since most of the quality was being lost anyway. With a policy of "this is the future" and a new logo "The Digital Master Company," GRP struck out on its own. The compact disc did not exist.

In the early 1980s, Sony Corp. and Philips NV came to the United States to demonstrate their new digital sound process. There was hardly any software. GRP produced a demonstration CD of songs associated with Glenn Miller called "In the Digital Mood," which was used, along with samplers from the manufacturers, to demonstrate the improved sound.

Because of that this-is-the-future policy, GRP was the only company with an inventory of digital master tapes. Their people sent the tapes to be manufactured in Japan and imported the CDs.

If they ordered 3,000, they sold 8,000; when they ordered 10,000, by the time the albums came in they had sold 20,000. Mr. Rosen smiles, as though embarrassed by how good it looks in retrospect.

See ROSEN, Page 16

CURRENCY & INTEREST RATES

Cross Rates										Eurocurrency Deposits										Key Money Rates									

MARKET DIARY

Inflation Concerns Push Dollar Down

Compiled by Our Staff From Dispatches

NEW YORK—The dollar slid against most other major currencies Wednesday as a stronger-than-expected increase in U.S. factory orders ignited a new round of inflation worries.

Orders to American manufacturers surged 4.4 percent in September.

Foreign Exchange

August, while shipments posted the biggest gain in 15 years. The news pushed up bond yields and sent blue-chip share prices tumbling.

"The dollar followed the bond and stock market," said David Wilson of Credit Lyonnais in New York.

The dollar slipped to 5.2725 French francs from 5.2863 Tuesday and to 1.2780 Swiss francs from 1.2845 francs. The pound was at \$1.5865, up from \$1.5815.

MARKET: Interest Rate Jitters

Continued from Page 1

The Dow Jones industrial average fell 13.47 points Wednesday to 3,787.34, and was down 67.29 for the week. Losing issues outnumbered gaining ones by a 4-to-1 ratio on the New York Stock Exchange.

The yield on the benchmark 30-year Treasury bond jumped to 7.94 percent from 7.88 percent Tuesday.

U.S. Stocks

The price fell 22 3/32 points, to 94 30/32.

Analysts said the slump in the bond market was likely to continue until investors were convinced that the Fed was being vigilant in its fight against inflation.

Many criticized the central bank's previous rate increases as being too small and too numerous to have a significant economic impact.

"We've seen this decline before," said Kevin McClintock, who manages fixed-income investments at Aetna Investment Management Inc. in Hartford,

99.50 yen, down from 99.63 yen Tuesday.

"The dollar followed the bond and stock market," said David Wilson of Credit Lyonnais in New York.

The dollar slipped to 5.2725 French francs from 5.2863 Tuesday and to 1.2780 Swiss francs from 1.2845 francs. The pound was at \$1.5865, up from \$1.5815.

The financial markets are awaiting U.S. unemployment figures for September, which could indicate whether the Federal Reserve System's policy-makers will tighten monetary policy.

Analysts are expecting unemployment to fall from 6.1 percent in August to 5.9 percent this month, with 300,000 new jobs created. (AP, Reuters)

MARKET: Interest Rate Jitters

Connecticut. "The Fed tightens incrementally, and the economy doesn't react."

The stocks of economically sensitive companies, which tend to respond quickly to interest rate changes on the theory that higher rates will choke off sales, took the brunt of the losses.

Motorola was the most actively traded stock on the Big Board, leading a broad drop in semiconductor issues.

Intel, Advanced Micro Devices and Compaq Computer, also were among the high-technology losers.

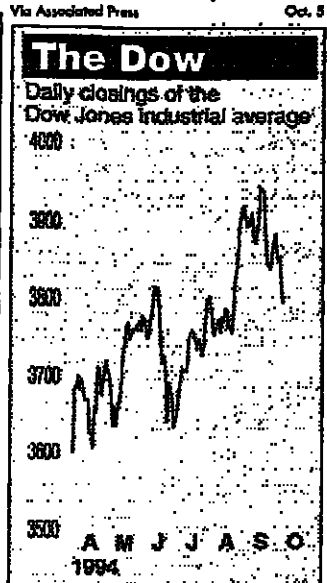
Among other individual issues, AMX, the parent company of American Airlines, fell after being lowered to a "hold" from a "buy" by CS First Boston.

Cort, which makes private-label beverages, fell after it was lowered to "market performer" from "buy" at Oppenheimer & Co. Oppenheimer and Lehman Brothers both lowered earnings estimates for the company.

Restworks fell after the U.S. Army canceled a five-year soil-contaminator supply contract valued at a maximum of \$32 million. The work was instead awarded to Caterpillar, whose shares also fell.

Alteon rose after the pharmaceutical company said it had been granted a European patent covering its technology that helps treat diseases associated with diabetes and aging.

American Medical Electronics, which makes products for bone healing, fell after it said third-quarter earnings would be below analysts' expectations. (AP, Bloomberg, Reuters)



Vol. High Low Last Chg. NYSE Most Active

Vol.	High	Low	Last	Chg.
Comstock	51.24	50.75	50.75	+0.01
Motorola	47.80	47.25	47.25	-0.05
Intel	47.25	46.75	46.75	-0.05
Advanced Micro	47.25	46.75	46.75	-0.05
Compaq	47.25	46.75	46.75	-0.05
AMD	47.25	46.75	46.75	-0.05
ATI	47.25	46.75	46.75	-0.05
3Com	47.25	46.75	46.75	-0.05
LSI	47.25	46.75	46.75	-0.05
Western Digital	47.25	46.75	46.75	-0.05
Seagate	47.25	46.75	46.75	-0.05
Quantum	47.25	46.75	46.75	-0.05
Maxtor	47.25	46.75	46.75	-0.05
Conquest	47.25	46.75	46.75	-0.05
Western Digital	47.25	46.75	46.75	-0.05
Seagate	47.25	46.75	46.75	-0.05
Quantum	47.25	46.75	46.75	-0.05
Maxtor	47.25	46.75	46.75	-0.05
Conquest	47.25	46.75	46.75	-0.05

NASDAQ Most Active

Vol.	High	Low	Last	Chg.
Intel	47.25	46.75	46.75	-0.05
Advanced Micro	47.25	46.75	46.75	-0.05
Compaq	47.25	46.75	46.75	-0.05
AMD	47.25	46.75	46.75	-0.05
ATI	47.25	46.75	46.75	-0.05
3Com	47.25	46.75	46.75	-0.05
LSI	47.25	46.75	46.75	-0.05
Western Digital	47.25	46.75	46.75	-0.05
Seagate	47.25	46.75	46.75	-0.05
Quantum	47.25	46.75	46.75	-0.05
Maxtor	47.25	46.75	46.75	-0.05
Conquest	47.25	46.75	46.75	-0.05

AMEX Most Active

Vol.	High	Low	Last	Chg.
Comstock	51.24	50.75	50.75	+0.01
Motorola	47.80	47.25	47.25	-0.05
Intel	47.25	46.75	46.75	-0.05
Advanced Micro	47.25	46.75	46.75	-0.05
Compaq	47.25	46.75	46.75	-0.05
AMD	47.25	46.75	46.75	-0.05
ATI	47.25	46.75	46.75	-0.05
3Com	47.25	46.75	46.75	-0.05
LSI	47.25	46.75	46.75	-0.05
Western Digital	47.25	46.75	46.75	-0.05
Seagate	47.25	46.75	46.75	-0.05
Quantum	47.25	46.75	46.75	-0.05
Maxtor	47.25	46.75	46.75	-0.05
Conquest	47.25	46.75	46.75	-0.05

Market Sales

Vol.	High	Low	Last	Chg.
NYSE	37.40	36.90	36.90	-0.05
AMEX	37.40	36.90	36.90	-0.05
NASDAQ	37.40	36.90	36.90	-0.05

Dow Jones Averages

Open	High	Low	Last	Chg.
Indus	3794.42	3792.14	3787.34	-13.79
Comp	482.76	482.14	481.34	-0.72
Unif	172.78	172.48	172.18	-0.30
Ext	172.48	172.18	172.18	-0.30

Standard & Poor's Indexes

	High	Low	Close	Today's Change
Industrials	548.50	538.53	539.12	535.45
Transp.	349.25	353.95	354.45	349.15
Utilities	151.73	149.01	149.44	148.63
Finance	43.01	42.09	42.16	41.85
SP 500	462.46	454.03	454.59	452.50
SP 100	427.91	419.82	420.50	418.50

NYSE Indexes

NYSE Indexes				
	High	Low	Last	Chg.
Composite	251.46	248.51	250.36	-1.10
Industrials	315.81	311.98	314.57	-1.24
Transp.	228.28	224.10	225.45	-2.67
Utility	201.49	199.33	200.47	-1.00

NASDAQ Indexes

NASDAQ Indexes				
	High	Low	Last	Chg.
Composite	745.66	738.17	745.66	-1.64
Industrials	757.54	751.96	757.54	-3.64
Banks	751.37	746.10	748.10	-6.69
Insurance	930.29	925.09	926.64	-6.26
Finance	918.48	911.69	912.90	-9.81

AMEX Stock Index

AMEX Stock Index				
	High	Low	Last	Chg.
	453.82	449.39	451.11	-2.70

Dow Jones Bond Averages				
	High	Low	Last	Chg.
	140.75	140.50	140.75	+0.25

Dow Jones Bond Averages

Open	High	Low	Last	Chg.
20 Yr	94.72	94.52	94.52	-0.20
10 Yr	94.72	94.52	94.52	-0.20
5 Yr	94.72	94.52	94.52	-0.20
3 Yr	94.72	94.52	94.52	-0.20

NYSE Diary

Adv.	Decl.	Unch.	Net
1763	1736	1736	1736
1763	1736	1736	1736
1763	1736	1736	1736

AMEX Diary

Adv.	Decl.	Unch.	Net
1763	1736	1736	1736
1763	1736	1736	1736
1763	1736	1736	1736

NASDAQ Diary

Adv.	Decl.	Unch.	Net
1763	1736	1736	1736
1763	1736	1736	1736
1763	1736	1736	1736

Spot Commodities

Commodity	Today	Prev.
Aluminum	0.72	0.72
Copper	1.25	1.25
Gold	374.00	374.00
Oil	21.00	21.00
Silver	11.00	11.00
Wheat	0.15	0.15
Zinc	0.15	0.15

EUROPEAN FUTURES

EUROPEAN FUTURES				
Metals				
	Close	Ask	Previous Bid	Ask
ALUMINUM (High Grade)				
Dollars per metric ton				
Spot	1425.50	1426.50	1414.00	1417.00
Forward	1440.00	1446.00	1440.00	1447.00
COPPER CATALOGUE				

Financial

Forward	2579.00	2530.00	2514.00	2515.00
LEAD				
Dollars per metric ton				
Spot	628.50	629.50	628.00	629.00
Forward	643.00	644.00	642.00	642.50
NICKEL				
Dollars per metric ton				
Spot	6453.00	6445.00	6300.00	6310.00
Forward	6540.00	6545.00	6405.00	6418.00
TIN				

Stock Indexes

PURCH	3485.00	3475.00	3480.00	3435.00
ZINC (Special High Grade)				
Bollers per metric ton				
Spot	1040.00	1041.00	1033.50	1034.50
Forward	1063.00	1064.00	1057.00	1058.00

Financial				
	High	Low	Close	Change

Dividends

Company	Per	Ann	Pay	Rec
IBM	1.00	1.00	1.00	1.00
Microsoft	1.00	1.00	1.00	1.00
Oracle	1.00	1.00	1.00	1.00
SAP	1.00	1.00	1.00	1.00

Industrials

3-MONTH EURO DOLLARS (LIFFE)				
51 million - pts of 100 pct				
Dec	93.95	93.95	93.92	-0.05
Mar	93.68	93.59	93.55	-0.04
Jun	N.T.	N.T.	93.72	-0.06
Sep	N.T.	N.T.	92.81	-0.07
Est. volume: 446. Open int.: 3,960.				
3-MONTH EUROMARKS (LIFFE)				
DM1 million - pts of 100 pct				
Dec	93.95	93.95	93.92	-0.05
Mar	93.68	93.59	93.55	-0.04
Jun	N.T.	N.T.	93.72	-0.06
Sep	N.T.	N.T.	92.81	-0.07

U.S. AT THE CLOSE

	High	Low	Last	Settle	Ch'ge
Apr	158.50	158.50	158.50	158.50	-0.50
May	N.T.	N.T.	N.T.	157.50	-0.25
June	156.75	156.00	156.00	154.75	-0.25
July	N.T.	N.T.	N.T.	154.75	-0.50
Est. volume: 14,553.			Open int. 109,169		

American Express to Cut 6,000 Jobs

NEW YORK (AP)—American Express Co. will eliminate 6,000 jobs over the next 18 to 24 months to improve profitability, the company said Wednesday.

About 4,000 of the cutbacks will come at card operations in Phoenix, Arizona, and related offices in Jacksonville and Miami Lakes, Florida, the company said. Another 2,000 jobs will be cut throughout the financial services conglomerate, famous for its green, gold and platinum charge cards.

The cutbacks are not expected to affect American Express' earnings, the company said. American Express would not estimate its savings from the downsizing effort.

Citicorp Adds Stocks Trading to ATM

NEW YORK (AP)—Citibank has added a service to its 1,800 teller machines that lets affluent customers buy or sell stocks and check their investments, the bank said Wednesday.

Customers of Citicorp Investment Services, a subsidiary that offers brokerage services and sells mutual funds, and customers with at least \$100,000 in the bank can initiate buy and sell orders that are later executed by Citicorp brokers.

The service is currently available at 1,200 Citibank ATMs in New York, and at machines in Chicago and Miami. ATMs in San Francisco and Washington will get the service by the end of the month.

The biggest U.S. bank, Citibank is the first to put stock services on automatic teller machines, said Maria Rullo, a spokeswoman. The move is part of Citibank's program to allow customers to do any banking transaction electronically, either by telephone, personal computer or cash machine.

Apple Shares Gain on Takeover Talk

NEW YORK (Bloomberg)—Apple Computer Inc. shares rose amid speculation the company may be the subject of a takeover or substantial investment by Motorola Inc., traders and analysts said Wednesday.

Apple spokeswoman Betty Taylor and Motorola spokesman George Grimsrud declined to comment on the speculation. Apple shares closed \$4.125 higher, at \$37.875, but Motorola slipped to \$5.125.

The takeover talk comes in the wake of Motorola's plans to build a low-cost line of desktop computer systems to boost sales of its PowerPC microprocessor. Motorola, based in Schaumburg, Illinois, developed the PowerPC with Apple and International Business Machines Corp. to better compete with Intel Corp.

Liquidity Woes Hit Caroleo

LOS ANGELES (Bloomberg)—Caroleo Pictures Inc. said Wednesday it was experiencing "severe liquidity problems" from funding the preproduction expenses of the motion pictures "Showgirls" and "Cutthroat Island" from its current cash balance.

The film production company said production loans for the two movies, which were slated to begin filming this month, will not be available until later in the fourth quarter. The company blamed the delay in the loans on casting and production problems.

Caroleo said it was in talks to transfer its rights to "Showgirls" to Metro-Goldwyn-Mayer Inc., which is 98.5 percent owned by Credit Lyonnais, the French state-owned bank.

The company said it reached a series of tentative agreements with Pioneer LDCA Inc., RCS Video International Services BV, and Le Studio Canal Plus, which should provide the company with additional funds of about \$20 million and allow it complete production of "Cutthroat Island."

Goldman Sachs to Cut Work Force

NEW YORK (AP)—Goldman Sachs & Co., the biggest privately held U.S. investment bank, is considering cutting as much as 10 percent of its work force over the next several weeks, a source close to the company said.

The cuts, ranging from 400 to 900 employees, are expected to hit traders and support staff in the firm's fixed-income department the hardest. Like other Wall Street firms, Goldman has suffered from sharply lower trading and underwriting profits as a result of this year's bond market plunge.

Last year, Goldman reportedly earned \$2.3 billion, up 75 percent from 1992, making it the most profitable firm on Wall Street. But profits this year plummeted more than 70 percent in the nine months ended in August, largely as a result of trading losses, according to published reports. Goldman does not disclose its profits.

A WEEK IN THE LIFE OF THE TRIB

Plus daily

Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
MONDAY SPORTS	STYLE	STAGE	HEALTH/SCIENCE	LEISURE	ART	THE MONEY REPORT
POLITICS AND ECONOMICS						
BUSINESS AND FINANCE						
FILM AND THEATER						
OPINION AND COMMENTARY						
BOOKS AND TRAVEL						
THE ARTS AND SCIENCE						
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PULITZER PRIZE WINNING FEATURE COLUMNISTS						

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Herald Tribune

WORLD STOCK MARKETS

Agencia France Press Oct. 5

Close	Prev.
Amsterdam	329.50
Brussels	239.50
Frankfurt	114.50
London	272.50
Madrid	10.50
Paris	11.50
Rome	1.50
Sao Paulo	1.50
Stockholm	1.50
Sydney	1.50
Tokyo	1.50
Zurich	1.50

U

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Title (Mr/Ms/Ms/Ms) _____ First name _____

Last name _____

Position _____

Company _____

Address _____

City _____ Country _____

Telephone _____ Fax _____

Wednesday's 4 p.m.
This list compiled by the AP, consists of the 1,000 most traded securities in terms of dollar value. It is updated twice a year.

[illegible]

Wednesday's Closing
Tables include the nationwide prices up to the closing on Wall Street and do not reflect trade elsewhere. Via The Associated Press

[illegible]

EC Extends Ruling On Car Dealerships

Bloomberg Business News

BRUSSELS — The European Commission decided Wednesday to extend automakers' control of auto dealers for 10 years, but it is limiting that control to try to spur competition in the European Union's biggest industry.

Since 1985, the commission's agreement with automakers has permitted them to dictate where the dealers may be and how many cars they may sell. The agreement allows automakers to stop their dealers from selling competing brands.

Consumer groups complained that the agreement caused a distortion in the 12-nation EU by limiting competition among dealers and allowing automakers to charge different prices in various EU markets. EU prices vary more than 20 percent for a quarter of European brands, the commission said.

The new conditions, which will be in effect for 10 years after the existing accord expires in June 1995, will "redress the balance" between automakers, dealers and consumers, said EU Competition Commissioner Karel Van Miert.

The main changes in the agreement include permission for car dealers to buy spare parts wherever they please, provided the parts are of equal

quality to those supplied by the carmaker. Previously carmakers could force their dealers to use their parts. Dealers earn up to 60 percent of their income from spare parts.

The new rules also allow dealers to advertise wherever they choose, while carmakers may presently prevent dealers from advertising outside their territory. Car dealers still will not be allowed to use direct mail to lure customers from outside their territory.

A Brussels-based consumer lobbying group, the Bureau Européen des Unions des Consommateurs, said the commission's actions did not go far enough.

"The commission could have gone a lot further," said Valerie Thompson, a spokeswoman for the group. "It's very disappointing for consumers."

She said consumers still would not be able to compare different brands under the same roof, a key condition for comparing quality and prices of cars.

Although the new rules allow dealers to sell competing brands, this may only be done in separate premises operated by different managers. Car-

makers may also scrap agreements with their dealers if they decide to sell competing brands under the new rules.

Browning on KKR Trail Bid for Attwoods Echoes Borden Offer

By Floyd Norris

New York Times Service

Efforts by Browning-Ferris Industries Inc. to take over Attwoods PLC, a British environmental company, may be an example of a new acquisition strategy: Find an underperforming company and offer the shareholders a low

INTERNATIONAL STOCKS

price, warning them that the choice is between the bid and continued bad management by the incumbents.

In bidding low for a company whose shareholders have good reason to be disgruntled, Browning-Ferris is following a path blazed recently by Kohlberg, Kravis, Roberts & Co. in its continuing attempt to buy Borden Inc.

But KKR managed to get the Borden board's support, while it appears certain that a majority of directors of Attwoods will oppose Browning-Ferris, the second largest waste management company in the United States.

The Browning-Ferris effort has become one of the more hostile battles in recent years. British takeover laws require bidders to notify target companies before they begin their offers, and William D. Ruckelshaus, the chairman and chief executive of Browning Ferris, complied.

At 2:30 A.M. on Sept. 20, he woke up Ken Foreman, the chief executive of Attwoods, to tell him the offer would be made in a few minutes, before the London market opened. The hour would have been less unfortunate had Mr. Foreman not been staying at his home in Florida, where Attwoods has a large part of its operations.

The offering dissected the recent performance of Attwoods, said that the company

would never regain its former profitability and added that the stock price was unreasonably high because of takeover speculation.

But because the Attwoods garbage-hauling business would fit in with Browning-Ferris and its waste dumps and recycling centers, Browning-Ferris was willing to buy the company anyway.

But not at much of a price. The bid offered no premium to the market price, which was 34 percent below what the shares had fetched six months earlier, before it became clear just how bad a year Attwoods was having. Final results for the year that ended July 31 are not out yet, but everyone agrees the figures will not be pretty.

The largest shareholder of Attwoods, Laidlaw Inc. of Canada, already has agreed to sell its 30 percent stake to Browning-Ferris.

Although the bid was announced Sept. 20, Attwoods has until Oct. 17 to respond to it. The offer is for 109 pence a share, or about \$8.60 for each American depository receipt, which represents five shares. Shareholders might get a small additional payment later, if a subsidiary is sold for a high price.

In New York Stock Exchange trading Tuesday, the ADRs closed at \$9.125, down 12.5 cents. Mr. Ruckelshaus attributes the premium to speculation that he will raise his bid, something he refuses to rule out. But he said he saw no reason to do so now.

So far, the two largest American holders of Attwoods stock — the Fidelity and Franklin groups of mutual funds — have not signaled what they will do, and Mr. Foreman said he was not now looking for a white knight.

"We have to convince shareholders that it is the right thing to do, to stay with it," Mr. Foreman said. "It is certainly worth 50 percent more than they are asking."

Jobless Rate In Germany Falls to Low For Year

Compiled by Our Staff From Dispatches

NUREMBERG — Unemployment in Germany fell to the lowest level of the year at the end of September, the Federal Labor Office said Wednesday, with the number of jobless people down by 142,000 from August.

The jobless rate in Western Germany fell to 7.9 percent, the lowest since November 1993 and down from 8.2 percent in August. In Eastern Germany, the unemployment rate fell to 13.8 percent from 14.7 percent in August, the lowest rate since November 1992.

Bernhard Jagoda, president of the Federal Labor Office, attributed the improvement to a seasonal increase in orders and the increased pace of economic recovery in Eastern Germany.

The German economy has been struggling out of recession since spring, but unemployment has remained high, topping 4 million this year. But the figures released Wednesday should help Chancellor Helmut Kohl's chances of being re-elected Oct. 16, economists said.

"Mr. Kohl must certainly be very cheered by these numbers," said Holger Fahrnkrug, an economist at Union Bank of Switzerland in Frankfurt. But while German voters watch the overall unemployment rate, economists rely more on separate figures that are adjusted to reflect seasonal patterns in hiring, firing and company shutdowns.

Using this seasonally adjusted measure, the number of unemployed people in Western Germany fell a larger-than-expected 5,000 during September, (Bloomberg, AP)

Hoechst Eyes U.S. Share

Hoechst AG said Wednesday it wanted to expand its market share in the United States but declined to say whether it would do so by buying Marion Merrell Dow, AFP-Exel News reported from Frankfurt.

Financial markets have seen considerable speculation recently about Hoechst's interest in Marion Merrell, the pharmaceutical arm of Dow Chemical.

Investor's Europe

Frankfurt DAX	London FTSE 100 Index	Paris CAC 40
2800	3400	2200
2600	3200	2000
2400	3000	1800
2200	2800	1600
2000	2600	1400
1800	2400	1200
1600	2200	1000
1400	2000	800
1200	1800	600
1000	1600	400
800	1400	200
600	1200	0
400	1000	
200	800	
0	600	

Sources: Reuters, AFP

Very briefly:

- Cockerill-Sambre SA's takeover of EKO Stahl GmbH may violate European Union rules because of German subsidies, Karel van Miert, competition commissioner for the EU, said.
- Christian Dior SA said net profit rose 71 percent to 419 million francs (\$79 million) in its first half, partly because of its increased stake in LVMH Moët Hennessy Louis Vuitton.
- British Sky Broadcasting Ltd. will create the equivalent of 1,000 full-time jobs in Scotland by building a £10 million center for processing users' applications.
- Valeo SA, Europe's second-largest car-parts company, said nine-month sales rose 11.5 percent, to 16.73 billion French francs.
- Olivetti SpA will announce a European alliance at a news conference in London on Thursday.
- Carrefour SA said sales for the first nine months of the year rose 8.6 percent from a year earlier, to 108.83 billion francs.
- Hogg Robinson PLC said it would expand its financial-services operations by acquiring those of Bain Hogg Group. Hogg Robinson will pay £13 million (\$21 billion) for all Bain's U.K. operation and half of its Hong Kong operation.
- East German producer prices were unchanged in July from June and rose 0.6 percent from July 1993, the Federal Statistics Office said. (AFP, AP, Bloomberg, Knight-Ridder)

Telefónica's Spending Plans

Bloomberg Business News

MADRID — Candido Velásquez, president of Telefónica de España SA, said Wednesday that the company planned to double its investments in Latin American telephone companies to almost \$10 billion over the next few years.

"We will not miss out on any opportunity to invest in Latin America," he said. The company also said it was exploring an "alliance" with a North American company in Latin America.

UBS Defense Dents Ebner's Armor

Bloomberg Business News

ZURICH — Martin Ebner, the investor who could add a premium to shares be favored just like fresh coat of paint, may have provoked one fight too many with the Swiss establishment.

Union Bank of Switzerland last week acted against the takeover threat it perceived in Mr. Ebner, its largest shareholder. The board announced a plan to wipe out much of the voting power of the 23 percent of UBS shares controlled by two of Mr. Ebner's four listed investment companies. UBS shareholders are to vote on the matter next month.

Since then, those shares have plunged almost 290 million Swiss francs (\$155 million). The rush to sell shares of other companies in Mr. Ebner's stable has wiped a further 487 million francs off the market value of his listed investment vehicles.

"Ebner now has to fight for his reputation in the market," said Hans Kaufmann, the head of Swiss brokerage research, and a director at Bank Julius Baer in Zurich. "Should he lose, and in my

view the chance of that is extremely high, then a lot of his clients will not be satisfied."

Mr. Ebner was accumulating registered shares, analysts said, hoping UBS would raise the 5 percent voting limit on the shares so he could gain control of the bank. He clearly was not expecting the UBS action.

Whether Mr. Ebner overplayed his hand, by goading UBS to take such drastic action, will be seen on Nov. 22 when a vote will be taken on the proposal at a shareholders' meeting.

The episode has focused attention on the tactics of Mr. Ebner's group of companies: his BK Vision AG and Pharma Vision 2000 Ltd. closed-end funds are the largest shareholders in two of Switzerland's biggest companies, UBS and Roche Holding. "The small shareholders in BK Vision thought they were buying an investment fund to maximize the value," said Ian McEwan, a banks analyst at Merrill Lynch in London. "The way Ebner sought to do that looks more like a corporate raider's strategy, with the risk their fund could lose 30 percent or 40 percent overnight."

ROSEN: Different Drummer

Continued from Page 11

and says, "We never thought it would take off to that extent."

Through a deal with the manufacturer Victor Co. of Japan — or JVC — to exchange software for compact-disk players, they gave hundreds of them to jazz radio stations, which loved the sound but had nothing to play other than GRP material. "We were everywhere," Mr. Rosen said. "The little window got bigger and bigger." This was no longer coincidence.

MCA bought GRP in 1990, when it had annual worldwide sales of \$20 million and 40 employees. As an MCA division with Mr. Rosen as president, it grew to 55 employees in 1993 and had sales of \$36 million, according to MCA. Mr. Rosen hired his successor, Tommy Li-

Puma, the former vice president of Elektra Records who produced Natalie Cole, Miles Davis and many others. Before leaving to explore CD-ROMs, he left GRP one last coincidence to exploit.

Mr. Rosen's acid jazz compilation called "Red Hot + Cool — Stolen Moments," for the benefit of AIDS research, will be released Tuesday. Acid jazz, a new melding of rap and jazz, is on the cusp of commerciality. The album includes such major players as Guru, Donald Byrd, MC Solar, Herbie Hancock, the Digable Planets, Branford Marsalis and the Last Poets. It is the first acid jazz compilation with artistic as well as marketing viability.

"The whole story is like a dream," Mr. Rosen said.

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SPORTS

Labor Situation Dominates The NBA Owners' Meeting

The Associated Press
NEW YORK — With the major league baseball season already canceled because of a strike and hockey players locked out, talk of a National Basketball Association confrontation is getting louder.

So it's no wonder the NBA's labor situation was dominating the agenda of the owners' meeting Wednesday, overshadowing proposed rules and ownership changes its board of governors is considering.

The league, which has never had a work stoppage, has tried to squelch lockout talk, saying it hopes things won't come to that.

But the New York Daily News reported Wednesday that NBA owners were expected to conduct a secret vote at the meeting that could authorize a

lockout of players before Nov. 15, when players would receive their first paychecks.

The regular season is scheduled to start Nov. 4.

With the NBA and its players far apart on several major issues, can pro basketball do any better than baseball and hockey in the labor department?

"I feel optimistic," Russ Granik, the NBA's deputy commissioner, said. "I still think the track record between the union and management has been good. I don't have any reason to think that won't continue."

Just as in baseball and hockey, however, what the owners want and what the players want in a new agreement are two very different sets of things.

The players' union wants to eliminate the salary cap, restrictions on free agency and the

college draft and get a larger share of revenues.

The owners want to close loopholes in the current salary cap, such as contract clauses that allow players to become restricted free agents after one year and balloon payments at the end of contracts. The league also would like to see restrictions on rookie salaries, and it insists on continuing the draft.

The players association has challenged the legality of the cap, draft and right of first refusal for free agency, alleging antitrust violations. The players lost a court decision in July, but appealed and are awaiting a ruling before returning to the bargaining table.

But that ruling isn't expected until the middle of the month, leaving about two weeks before the start of the season to hammer out a deal.

If matters aren't resolved by then, the league could press for players to take a no-strike pledge, ensuring the season could proceed without threat of interruption.

While no resolution of the labor matter will come out of the governors' meeting, several rule changes will.

To beef up scoring and unclog the lane, the 3-point line would be moved to a uniform 22-foot (6.7-meter) arc. Currently, the arc extends from 22 feet in the corners to 23 feet, 9 inches at the top of the key.

In another rule proposal, players fouled on a 3-pointer would get three free throws.

The owners also are expected to adopt a rule in which any player committing two flagrant fouls in a game would be ejected. In another move to reduce fighting, any player leaving the bench during an altercation would be subject to a minimum one-game suspension and fined a maximum of \$20,000.

But Navratilova, 37, struggled to a victory and conceded that she was weary of the tennis circuit that has earned her nearly \$20 million and 167 singles titles.

"You wouldn't be here if Martina wasn't playing," a philosophical Navratilova said, referring to Hingis. Navratilova had been hard-pressed in a 7-5, 4-6, 6-1 victory over Ann Grossman.

"People didn't come to see me play. They've been watching me for more than 20 years."

For the moment, however, the comparisons made are not with Navratilova but with another child champion, the teenage burn-out, Jennifer Capriati.

Navratilova, the most successful woman in the open era of tennis, now playing out her final season, finds herself in the opposite camp from Hingis in the debate over children in sport.

She said she did not make an impact on



Martina Hingis, a 14-year-old prodigy, making her debut in the year that the other Martina — Navratilova — retires.

2 Martinas: One Going, One Coming

Compiled by Our Staff From Dispatches

ZURICH — The Swiss prodigy Martina Hingis has made an explosive debut on the women's tennis tour.

Hingis was born in Czechoslovakia 14 years ago and named by her mother, a former tennis professional, after her famous compatriot, Martina Navratilova.

She held her first tennis racket at the age of 2, played her first tournament at 5, moved to Switzerland at 7 and became, at 12 years and eight months, the youngest junior champion at a Grand Slam event.

Judging by her debut performance at the European Indoors tournament in Zurich on Tuesday, when she beat the experienced American, Patty Fendick, 6-4, 6-3, with a superb baseline display, Hingis may yet justifiably be compared to her namesake.

But Navratilova, 37, struggled to a vic-

tory and conceded that she was weary of the tennis circuit that has earned her nearly \$20 million and 167 singles titles.

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Navratilova, the most successful woman in the open era of tennis, now playing out her final season, finds herself in the opposite camp from Hingis in the debate over children in sport.

She said she did not make an impact on

the tennis scene until she was 15. She disapproves of early starts because of the emotional pressure and the physical dangers to growing bones.

"If I had a child, I probably wouldn't want her playing on the tour," said Navratilova. "Mentally, they may be ready, but not physically. There might be the odd 14-year-old that is ready for it, but why push it?"

Hingis, a pony-tailed blonde who turned 14 on Friday, shrugged off comparisons between her and Capriati.

"I think in her family she had problems, and that's not the case with us," Hingis said.

"And there's much more pressure to win in the United States because millions are involved. In Europe, it's only thousands."

(A.P. Reuters)

Paris Picks Design for Stadium

The Associated Press

PARIS — Ending years of debate and confusion, the French government on Wednesday made its final choice of architectural plans for the 80,000-seat stadium that will be the centerpiece of the 1998 World Cup.

The elliptical stadium, which can be covered by an inflatable roof in bad weather, will cost an estimated 1.9 billion francs (about \$360 million). The government will pay 51 percent of the cost.

It was slightly cheaper than the 2 billion franc runner-up proposal for a rectangular stadium with mobile stands to provide different seating configurations for rugby and soccer.

The new facility, to be constructed just north of Paris in the suburb of Saint-Denis, will be by far the biggest stadium in France. The current largest is the Parc des Princes in Paris, which has almost 50,000 seats.

Designed by the architects Michel Macary and Ayman Zuhairi, the plan features a thin, elliptical ring seemingly floating above the grandstands, supported by 20 thin metal rods.

The stadium is intended to accommodate soccer, rugby and track and field, as well as entertainment spectacles.

French rugby officials hope the facility will help their bid to be host to the 2001 Rugby World Cup.

Discussions of a super-stadium for the Paris area date from 1936, but no project was ever started until France was selected in 1992 to be host of soccer's premier event in 1998.

The new stadium will be the venue for the opening match of the 1998 World Cup and for the final.

Baseball Owners Propose 45-Day Freeze on Signing

New York Times Service

NEW YORK — Out of the slumber of a season-shattering baseball strike, club owners have proposed to the union that the two sides agree to a 45-day freeze on off-season dates and rules.

The freeze, most noticeably, would push back the free-agency filing period. But it could have potentially greater implications, especially for the clubs' decision on whether to declare an impasse in dormant negotiations and then impose new rules unilaterally.

The clubs proposed the freeze in a letter from Chuck O'Connor, general counsel of the labor relations committee, to Donald Fehr, head of the Major League Baseball Players Association. Fehr was traveling to Los Angeles on Tuesday, but Gene Orza, the union's associate general counsel, said, "I'm underwhelmed by the proposal."

The union most likely will reject the proposal, figuring that a freeze would be far too great an advantage strategically for the clubs with no real advantage to the players.

Neither side was prepared to discuss the substance of the idea publicly, preferring to wait at least until they meet on the matter.

SIDELINES

Head of Algerian Soccer Club Slain

ALGIERS (AP) — Gunmen killed the president of one of Algeria's most important soccer clubs on Wednesday as he stood in front of a home he was building for his family, authorities said.

The death of Ali Tabanouti was the latest in a series of killings of sports officials attributed to Islamic extremists. Tabanouti was president of Sporting Youth of Bordj-Menaïel, a first division team that has for years ranked among Algeria's top three clubs.

A trainer of a police boxing team and a vice president of a judo federation have been killed in attacks attributed to Islamic extremists. In the past two weeks, one of Algeria's most popular singers, Cheb Hasni, was killed, and another singer was abducted.

Trainer's Death Tied to Horse Virus

SYDNEY (Reuters) — The Australian racehorse trainer Vic Rail almost certainly died of the same disease that killed 14 thoroughbred racehorses, Queensland medical authorities said Wednesday.

Tests on Vic Rail's body discovered antibodies linked to the virus found in the lungs of two horses that died in his stables last month. In all, 14 horses died in the outbreak, 12 at adjoining stables.

Rail, 49, died in a hospital on Sept. 28, after a respiratory illness. Dr. Geoffrey Murphy, director of public health in Queensland, said tests to isolate the virus in the trainer's body were still being conducted.

SCOREBOARD

Baseball Leagues

Central League: W L T Pct. GB
Yankees 49 39 0 .559 —
Blue Jays 48 40 0 .551 1
Astros 48 40 0 .551 1
Orioles 48 40 0 .551 1
Red Sox 48 40 0 .551 1
Yankees 49 39 0 .559 —

Yankees & Orioles
Pacific League: W L T Pct. GB
Seibu 74 50 2 .597 —
Kintetsu 68 57 2 .544 6½
Doi 68 59 1 .533 7½
Orix 67 59 3 .532 8
Lotte 52 72 1 .424 21½
Nippon Ham 46 79 5 .368 28½

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GYMNASICS

All-Around Final: 1. Li Xiaoshuang, China, 57.65; 2. Huang Liping, China, 57.00; 3. Yoshiko Matsuda, Japan, 56.95.

Women's Singles: 1. Kim Suk-wang, South Korea, 1.30; 2. Noriko Inouchi, Japan, 1.25; 3. Grace Young, Singapore, 1.20.

Boxing: First Round: Light Flyweight: Social Dismantling, Kazakhstan, def. Chao Kwan-chul, South Korea, 20-3; Pramunee Pheewoon, Thailand, def. Kamsam, Laos, 14-1; Manuella Velasco, Philippines, KO Yung Tim, Cambodia, 1-38.

1st round: Abdur Rashid Gumbani, Pakistan, stopped R. Amin, Bangladesh, 7-4; 1st round: Hermansen, Bolivia, Indonesia, def. Arman, Kazakhstan, 13-4; Kozumasa Tsutsumi, Japan, def. E. Tsutsumi, Mongolia, 16-4.

Boxing: Middleweight: Umesh Khawari, Nepal, def. Li Lichun, Kazakhstan, 15-4; Arnold Tozov, Kazakhstan, stopped Md. Harunur Rashid, Bangladesh, 8-3; 2nd round.

Asian Games: Basketball: Women: China 91, Japan 82; South Korea 101, Taiwan 83.

Men: Kazakhstan 72, United Arab Emirates 63.

Soccer: Men: Uzbekistan 1, Hong Kong 0; United Arab Emirates 2, Burma 0.

China 3, Brunei 2; South Korea 6, Oman 1; Japan 1, Qatar 1; Saudi Arabia 4, Thailand 2; Iran 1, Turkmenistan 1 (tie).

Women: Uzbekistan 1, Hong Kong 0; United Arab Emirates 2, Burma 0.

China 3, Brunei 2; South Korea 6, Oman 1; Japan 1, Qatar 1; Saudi Arabia 4, Thailand 2; Iran 1, Turkmenistan 1 (tie).

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ART BUCHWALD

White-Collar Leniency

WASHINGTON — The most disappointing aspect of the new crime bill is that Congress has not set aside any money to punish those who have committed white-collar crimes.

Since white-collar crime is now growing faster than blue-collar crime, you would think that some provisions would have been made to deal with the problem.

Stephanie Ross, a white-collar crime consultant, said that while it is hoped that the new bill can reduce street crimes, Congress has thrown in the towel about stopping criminal activity on Wall Street and in various halls of government.

"Wouldn't more hard prison time be a deterrent to white-collar criminals?" I asked.

"The problem is they never get to prison. The people who commit white-collar crimes hire the best lawyers in the country and, after stealing millions of dollars, they plea-bargain their way to a cruise on the Love Boat," Stephanie explained.



Buchwald

"What you're saying is that if someone had a choice, it would be smarter to commit a crime that involves enough money to hire F. Lee Bailey than a public defender."

"Do you know how many people went to jail for emptying out the safes of the S&Ls in America?"

"Four?" I guessed.

"Only two and a half executives did any time, and that was because they refused to tell where the money was hidden. There's no crime bill in the world that can stop the rich stealing from the poor."

"Didn't the Republicans propose that if you got caught selling phony government bonds to the public three times in a row, you would get life imprisonment?"

"Yes, but the white-collar crime lobbyists defeated it. No body knows how much money from widows' and orphans' savings goes each year to help politicians get elected. If you look at the S&L scandals, you'll see their officers were the biggest supporters of the elected officials," replied Stephanie.

"How about more police to patrol the buildings where white-collar crimes are committed? Maybe that would stop them," I suggested.

"It wouldn't be enough to discourage the hard-core embezzlers. They'd wind up bribing the police with phony real estate deals," she said.

"We have to make our sentences a lot stiffer. If someone who stole \$100 million is going to be sentenced by a judge to 300 hours of community service, it ought to be a maximum-security place like Disneyland."



Detail from Philip Morris ad for Brooklyn Academy of Music's Next Wave Festival.

In New York, Art and Anti-Smoking Collide

By Paul Goldberger

NEW YORK — To people in the arts, two of the best words in the English language for more than a generation have been Philip Morris — and never mind if the money comes from tobacco.

The \$61-billion-a-year maker of cigarettes, food and beer has been one of the biggest American supporters of culture since 1958, and unlike many companies, Philip Morris has generally given lots of money and asked nothing in return.

Until now. Late last month, writhing in dismay over strong anti-smoking legislation pending before the New York City Council, Philip Morris executives telephoned arts institutions that had benefited from their largesse and asked them to put in a good word to Peter Vallone, the City Council speaker.

The requests were only a small part of a much larger lobbying campaign. Philip Morris has mounted against the bill, which at one point led to threats, later retracted, to move its headquarters out of New York City.

If Philip Morris were to move, a great deal of its arts support would move with it. The requests to voice support for the company — which

this season alone is sponsoring the "Origins of Impressionism" exhibition at the Metropolitan Museum, the Next Wave Festival at the Brooklyn Academy of Music and an exhibition called "Talking Pictures" at the International Center of Photography — put arts groups, which generally try to stay away from politics, into a tailspin.

"This has put all of my clients into a tailspin," a consultant to several arts organizations said last week. "They have been so shocked that they didn't know how to react."

The arts groups say they were not asked to lobby directly against the bill, which would ban smoking in nearly all restaurants and public places, but only to let the City Council know how important Philip Morris money was to the cultural life of the city.

"But the message was clear," said an official of one of the groups underwritten by Philip Morris. "We were telling the City Council that it was in the best interests of the arts in New York City that Philip Morris money stay in New York City."

The company, for its part, maintains that it did not intend to drag arts groups into the political maelstrom, but only to contend, as Philip Morris has done repeatedly, that

smoking restrictions might affect tourism and hence the revenue of cultural institutions.

Many of the groups sent messages to the City Council in which they explained that they were taking no position on the anti-smoking bill as such, but wished to go on record as telling the City Council how much Philip Morris does for the city," in the words of one museum official who said he agreed to make a telephone call to Vallone's office.

"That much I was willing to do, since there is no question that I would take a terrible hit if Philip Morris were to leave the city."

That official, like most people who received requests from Philip Morris, would speak only on condition of anonymity. So powerful is the company in the cultural world that no official or board member of any organization supported by the company would speak for attribution when asked about the lobbying efforts on the anti-smoking legislation, or even allow the name of his or her organization to be used.

"Arts organizations don't have the luxury of turning down money from any source," said Randall Bourscheid, executive director of the Alliance for the Arts, an umbrella organization that assists many New York

institutions. Some of the alliance's projects have been underwritten, in part, by Philip Morris.

"There has been such serious reductions of both public and private funding that generosity as large and as widespread as Philip Morris's has a major impact on New York and the country," Bourscheid said.

Arts organizations have struggled for years with the question of accepting what are, in effect, tobacco profits to support the arts. But no one has rejected Philip Morris money, or called it tainted. "I don't smoke and I hate people smoking, but Philip Morris is a great supporter," said the spokeswoman for a New York dance company, who calls Philip Morris "our largest corporate supporter."

"I say thank God for sinners: they're the only people to support the arts," she concluded.

Her remark underscores the clear benefit Philip Morris gets from its arts philanthropy: a positive image among people who would normally have few kind things to say about a cigarette, food and beer maker.

The request that arts groups join, however subtly, in Philip Morris's lobbying effort against the City Council bill seems to have done little to diminish the chances of the bill's passage.

PEOPLE

Oxford Union to Hear Noted Environmentalist

Kenneth the Frog, following in the footsteps of Mother Teresa and Ronald Reagan, will address Oxford University's famed Oxford Union debating society Oct. 27. He will talk about life, love and the environment, but not about Miss Piggy, the Muppet character who pursues him constantly. "His life has been the university of life and he wants to talk about it," Adrienne Garner, spokeswoman for Jim Henson Productions, says. "He is the original green, having lived in a swamp. He is close to environmental concerns." As for Miss Piggy, "Anything between them is in her mind and not his."

Deng Xia, the 52-year-old daughter of Deng Xiaoping, China's paramount leader, opened an exhibition of her paintings in Paris in the presence of Jacques Chirac, France's culture minister, and Pierre Cardin, the designer, who sponsored the event. Most of the works in the show are early, traditional ones, but some from recent years are forcefully abstract.

Tom Leppard, a retired British soldier and the world's most tattooed person, with 99.2 percent of his body covered in a leopard-skin motif, helped launch the 1995 edition of the Guinness Book of Records in London. He shares space in the new book with Mase Jagan, an Indian with the longest hair in the world, and Susan Williams, a Californian who blew a record bubble-gum bubble.

Bernadine Morris, former chief fashion reporter of The New York Times, was awarded the gold medal of Milan, the city's highest honor, for services to fashion. Anne-Marie Schmitt accepted it on her behalf from the city's mayor, Marco Formentini.

WEATHER

Forecast for Friday through Sunday, as provided by Accu-Weather.

Europe	Today	High	Low	Tomorrow	High	Low	Day After	High	Low
Algeria	21/20	17/12	24/25	18/11	21/20	17/12	24/25	18/11	21/20
Andorra	12/13	9/8	14/15	11/12	15/16	12/13	9/8	14/15	11/12
Antigua	26/25	13/12	20/18	11/12	21/20	17/12	24/25	18/11	21/20
Austria	23/19	17/12	24/25	18/11	21/20	17/12	24/25	18/11	21/20
Bulgaria	21/15	12/13	23/21	15/16	24/25	18/11	21/20	17/12	24/25
Belgium	12/13	9/8	14/15	11/12	15/16	12/13	9/8	14/15	11/12
Berlin	24/18	12/13	21/20	17/12	24/25	18/11	21/20	17/12	24/25
Bombay	32/31	24/25	31/30	28/27	35/34	27/26	32/31	24/25	31/30
Buenos Aires	23/19	17/12	24/25	18/11	21/20	17/12	24/25	18/11	21/20
Budapest	24/18	12/13	21/20	17/12	24/25	18/11	21/20	17/12	24/25
Cairo	24/18	12/13	21/20	17/12	24/25	18/11	21/20	17/12	24/25
Canton	24/18	12/13	21/20	17/12	24/25	18/11	21/20	17/12	24/25
Cebu	24/18	12/13	21/20	17/12	24/25	18/11	21/20	17/12	24/25
Chengdu	24/18	12/13	21/20	17/12	24/25	18/11	21/20	17/12	24/25
Colon	24/18	12/13	21/20	17/12	24/25	18/11	21/20	17/12	24/25
Copenhagen	24/18	12/13	21/20	17/12	24/25	18/11	21/20	17/12	24/25
Cuba	24/18	12/13	21/20	17/12	24/25	18/11	21/20	17/12	24/25
Dallas	24/18	12/13	21/20	17/12	24/25	18/11	21/20	17/12	24/25
Dubai	24/18	12/13	21/20	17/12	24/25	18/11	21/20	17/12	24/25
Durham	24/18	12/13	21/20	17/12	24/25	18/11	21/20	17/12	24/25
Edinburgh	24/18	12/13	21/20	17/12	24/25	18/11	21/20	17/12	24/25
Frankfurt	24/18	12/13	21/20	17/12	24/25	18/11	21/20	17/12	24/25
Geneva	24/18	12/13	21/20	17/12	24/25	18/11	21/20	17/12	24/25
Hankou	24/18	12/13	21/20	17/12	24/25	18/11	21/20	17/12	24/25
Hong Kong	24/18	12/13	21/20	17/12	24/25	18/11	21/20	17/12	24/25
Houston	24/18	12/13	21/20	17/12	24/25	18/11	21/20	17/12	24/25
London	24/18	12/13	21/20	17/12	24/25	18/11	21/20	17/12	24/25
Los Angeles	24/18	12/13	21/20	17/12	24/25	18/11	21/20	17/12	24/25
Madrid	24/18	12/13	21/20	17/12	24/25	18/11	21/20	17/12	24/25
Moscow	24/18	12/13	21/20	17/12	24/25	18/11	21/20	17/12	24/25
Mumbai	24/18	12/13	21/20	17/12	24/25	18/11	21/20	17/12	24/25
Manila	24/18	12/13	21/20	17/12	24/25	18/11	21/20	17/12	24/25
Medan	24/18	12/13	21/20	17/12	24/25	18/11	21/20	17/12	24/25
Mexico	24/18	12/13	21/20	17/12	24/25	18/11	21/20	17/12	24/25
Montreal	24/18	12/13	21/20	17/12	24/25	18/11	21/20	17/12	24/25
Osaka	24/18	12/13	21/20	17/12	24/25	18/11	21/20	17/12	24/25
Paris	24/18	12/13	21/20	17/12	24/25	18/11	21/20	17/12	24/25
Perth	24/18	12/13	21/20	17/12	24/25	18/11	21/20	17/12	24/25
Port of Spain	24/18	12/13	21/20	17/12	24/25	18/11	21/20	17/12	24/25
Prague	24/18	12/13	21/20	17/12	24/25	18/11	21/20	17/12	24/25
Rangoon	24/18	12/13	21/20	17/12	24/25	18/11	21/20	17/12	24/25
Rio de Janeiro	24/18	12/13	21/20	17/12	24/25	18/11	21/20	17/12	24/25
Rome	24/18	12/13	21/20	17/12	24/25	18/11	21/20	17/12	24/25
Sao Paulo	24/18	12/13	21/20	17/12	24/25	18/11	21/20	17/12	24/25
Seoul	24/18	12/13	21/20	17/12	24/25	18/11	21/20	17/12	24/25
Shanghai	24/18	12/13	21/20	17/12	24/25	18/11	21/20	17/12	24/25
Stockholm	24/18	12/13	21/20	17/12	24/25	18/11	21/20	17/12	24/25
Sydney	24/18	12/13	21/20	17/12	24/25	18/11	21/20	17/12	24/25
Taipei	24/18	12/13	21/20	17/12	24/25	18/11	21/20	17/12	24/25
Tokyo	24/18	12/13	21/20	17/12	24/25	18/11	21/20	17/12	24/25
Ulaanbaatar	24/18	12/13	21/20	17/12	24/25	18/11	21/20	17/12	24/25
Vancouver	24/18	12/13	21/20	17/12	24/25	18/11	21/20	17/12	24/25
Vienna	24/18	12/13	21/20	17/12	24/25	18/11	21/20	17/12	24/25
Winnipeg	24/18	12/13	21/20	17/12	24/25	18/11	21/20	17/12	24/25
Yokohama	24/18	12/13	21/20	17/12	24/25	18/11	21/20	17/12	24/25
Zurich	24/18	12/13	21/20	17/12	24/25	18/11	21/20	17/12	24/25

Legend: sunny, pc=partly cloudy, c=cloudy, sh=showers, th=thunderstorms, r=rain, sl=snow, flurries, ss=snow, lvs=leaves. All temps, forecasts and data provided by Accu-Weather, Inc. © 1994

WEEKEND DESTINATIONS

SATURDAY

Europe and Middle East

Location	Weather	High Temp. C/F	Low Temp. C/F	Water Temp. C/F	Wave Heights (Meters)	Wind Speed (kph)
Cannes	clouds and sun	22/71	9/48	20/68	0-1	NW 12-25
Deauville	sunny	19/64	8/46	19/69	1-2	SE 15-30
Rimini	showers	19/64	12/53	23/73	1-2	SW 15-30
Malaga	clouds	22/71	13/56	20/68	0-1	SE 10-20
Seacliff	partly sunny	23/73	11/52	24/75	1-2	SW 30-33
Faro	showers	21/70	15/59	20/68	0-1	W 15-23
Pireaus	thunderstorms	25/77	17/62	23/73	0-1	SW 10-30
Corfu	thunderstorms	24/76	16/61	24/75	1-2	S 20-40
Brighton	partly sunny	17/62	8/46	15/59	0-1	SE 15-25
Ostend	clouds and sun	14/57	8/46	14/57	0-1	NE 12-22
Scheveningen	clouds and sun	13/56	8/46	14/57	0-1	N 12-25
Sydt	clouds and sun	13/56	7/44	14/57	0-1	N 12-25
Izmir	sunny	32/89	20/68	24/75	0-1	SE 15-30
Tel Aviv	sunny	33/91	23/73	27/80	0-1	SE 15-25

Caribbean and West Atlantic

Burkados	thunderstorms	26/84	23/73	26/82	1-2	SE 20-40
Kingston	partly sunny	33/91	23/73	26/82	1-2	ESE 20-40
St Thomas	showers	32/89	24/76	25/84	1-2	SE 25-50
Hamilton	showers	29/84	21/70	25/77	0-1	SE 12-25

Asia/Pacific

Penang	thunderstorms	31/88	24/75	29/82	0-1	SW 10-20
Phuket	thunderstorms	31/88	23/73	29/84	0-1	SW 15-25
Bali	partly sunny	32/89	23/73	29/82	0-1	SW 12-25
Cebu	partly sunny	32/89	24/76	29/82	0-1	SE 15-25
Palm Beach, Aus	clouds and sun	19/58	10/50	19/64	1-2	W 20-40
Bay of Islands, NZ	rain	19/54	14/57	19/61	1-2	NW 25-50
Shanghai	clouds and sun	23/73	10/50	24/75	0-1	SE 15-30
Honolulu	clouds	25/84	23/73	27/80	0-1	ENE 20-40

SUNDAY

Europe and Middle East

Location	Weather	High Temp. C/F	Low Temp. C/F	Water Temp. C/F	Wave Heights (Meters)	Wind Speed (kph)
Cannes	sunny	23/73	19/58	20/68	0-1	N 15-25
Deauville	clouds and sun	17/62	11/52	19/69	0-1	SE 15-30
Rimini	clouds and sun	20/68	11/52	23/73	0-1	SW 12-25
Malaga	cloudy	23/73	17/62	20/68	0-1	SW 15-30
Seacliff	clouds and sun	22/71	10/50	23/73	0-1	SW 15-30
Faro	showers	22/71	14/57	19/65	1-2	W 20-35
Pireaus	rain	24/76	16/61	23/73	0-1	SE 15-30
Corfu	showers	23/73	13/56	23/73	1-2	SE 15-30
Brighton	clouds and sun	18/64	9/48	15/59	0-1	S 15-25
Ostend	sunny	16/61	11/52	14/57	0-1	SE 12-25
Scheveningen	sunny	16/61	11/52	14/57	0-1	SE 12-25
Sydt	sunny	15/58	9/48	13/56	0-1	E 12-25
Izmir	clouds and sun	32/89	21/70	24/76	1-2	S 20-40
Tel Aviv	sunny	33/91	24/76	27/80	0-1	S 15-30

Caribbean and West Atlantic

Barbados	showers	32/89	23/73	29/84	1-2	SE 20-40
Kingston	thunderstorms	30/86	23/73	29/82	1-2	ESE 20-40
St Thomas	showers	30/86	23/73	29/82	1-2	NE 25-50
Hamilton	clouds and sun	30/86	22/71	25/77	0-1	W 15-25

Asia/Pacific

Penang	thunderstorms	31/88	24/75	29/82	0-1	SW 12-25
Phuket	showers	31/88	24/75	29/82	0-1	SW 15-30
Bali	partly sunny	32/89	23/73	29/82	0-1	SW 15-30
Cebu	partly sunny	32/89	24/76	29/82	0-1	SE 15-30
Palm Beach, Aus	sunny	22/71	12/53	19/64	0-1	NW 12-25
Bay of Islands, NZ	showers	12/53	12/53	15/59	1-2	WNW 30-50
Shanghai	clouds and sun	23/73	10/50	24/75	0-1	SE 15-30
Honolulu	clouds	25/84	23/73	27/80	0-1	ENE 20-40

All forecasts and data provided by Accu-Weather, Inc. 8/16/06